



**CAYMAN ISLANDS
LEGISLATIVE ASSEMBLY**

**OFFICIAL HANSARD REPORT
ELECTRONIC VERSION**

2015/16 SESSION

27 April 2016

First Sitting of the Fifth Meeting

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

Disclaimer: The electronic version of the *Official Hansard Report* is for informational purposes only. The printed version remains the official record.

PRESENT WERE:

SPEAKER

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

MINISTERS OF THE CABINET

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

ELECTED MEMBERS

GOVERNMENT BACKBENCHERS

Mr Roy McTaggart, MLA	Second Elected Member for George Town
Mr Joseph X Hew, MLA	Sixth Elected Member for George 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	Third Elected Member for West Bay
Capt A Eugene Ebanks, JP, MLA	Fourth Elected Member for West Bay

INDEPENDENT MEMBERS

Hon Anthony S Eden, OBE, MLA	<i>Deputy Speaker</i> , First Elected Member for Bodden Town
Mr Alva H Suckoo, MLA	Fourth Elected Member for Bodden Town
Mr Winston C Connolly, Jr., MLA	Fifth Elected Member for George Town
Mr D Ezzard Miller, MLA	Elected Member for North Side
Mr V Arden McLean, JP, MLA	Elected Member for East End

OFFICIAL HANSARD REPORT
FIFTH MEETING 2015/16 SESSION
WEDNESDAY
27 APRIL 2016
10:15 AM
First Sitting

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

The Speaker: Good morning. I will once again call on the Honourable Premier to lead us in prayers.

PRAYERS

The Premier, Hon. Alden M. McLaughlin: 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, the Leader of the Opposition, Ministers 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.

The Speaker: Please be seated.

ADMINISTRATION OF OATHS OR AFFIRMATIONS

The Speaker: None.

READING BY THE HONOURABLE SPEAKER OF MESSAGES AND ANNOUNCEMENTS

The Speaker: I am not in possession of any notification for absence or late attendance.

PRESENTATION OF PETITIONS

The Speaker: None.

PRESENTATION OF PAPERS AND OF REPORTS

MENTAL HEALTH COMMISSION ANNUAL REPORT 2015

The Speaker: I recognise the Honourable Premier.

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

Madam Speaker, I beg to lay on the Table of this honourable House, the Annual Report of the Mental Health Commission for the year 2015.

The Speaker: So ordered.

Does the Honourable Premier wish to speak to this report?

The Premier, Hon. Alden McLaughlin: Yes, thank you, Madam Speaker.

Madam Speaker, in accordance with section 8(a) of the Mental Health Commission Law 2013, I am pleased today to present to this Honourable House the Annual Report of the Mental Health Commission for the calendar year 2015.

Madam Speaker, the Mental Health Commission was established in January 2014 under the Mental Health Commission Law 2013. The current members are: Dr. Marc Lockhart, Chairman; Dr. Taylor Burrowes, Deputy Chair; Mr. Olivaire Watler, Co-Deputy Chair; Mrs. Julene Banks, Member; Mrs. Kimberly Voaden, Member; Mrs. Faylene Ebanks-Suckoo, Member; Pastor Dale Forbes, Member; Dr. Enoke Richens, Member; and Ms. Vanessa Gilman, Member.

Madam Speaker, the members are stakeholders from the various sectors representing legal, health care practitioners with training in mental health, and advocates and lay persons.

The functions of the Mental Health Commission are divided into three sections: The quasi-judicial section is set up to hear and determine appeals on the various sections of the law and conduct reviews where a patient has been detained and released under an emergency detention order, three or more times in 30 days.

The recommendations to the Health Practice Commission and counsel section includes: submitting an annual report to the Minister with responsibility for health; reviewing and advising on scopes of practice and codes of ethics for practitioners; providing policy advice to the relevant registering counsels; and advising the health practice commission regarding mental health facilities, medical research, and clinical trials in mental health.

The general functions section includes the following: obtain and compile statistics on mental health; oversee and deliver mental health training for constables, prison officers and any other persons expected to deal with mental health patients in the performance of their functions; approve a list of overseas mental health facilities; research and establish protocols and guidelines for mental health advocacy; and approve persons to act as advocates; establish and maintain a programme that provides information to the general public concerning mental illness and co-occurring disorders and related conditions; review the progress of patients transferred overseas; review every six months the progress of remand prisoners deemed unfit to plead and submit it to the Chief Officer Judicial Administration; give policy advice to the Minister responsible for Health on any aspect of the local mental health system.

Madam Speaker, I will now speak to the contents of the Report. Mental health services are delivered through the Health Services Authority, local private facilities, and mental health care facilities located overseas. The Behavioural Health and Psychiatric Unit, which was formerly known as the Mental Health Unit at the Health Services Authority, is an eight-bed unit that was designed as an adult facility for acute care of patients suffering from serious mental illnesses. There is also a facility providing treatment for patients suffering from alcohol and substance abuse. While Her Majesty's Cayman Islands Prison Service accommodates mentally ill persons who have been incarcerated, there is no in-patient facility for children and adolescents, but if necessary they are admitted to the unit where they are treated.

Madam Speaker, as stated in the first report of the Mental Health Commission last year, there is an adequate number of mental health practitioners employed in public and private sectors. However, the distribution of practitioners among the three Islands is disproportionate as there is no psychiatrist, psychologist or occupational therapist present on the Sister Islands.

Madam Speaker, we are committed to improving our out-patient services so that the care that is needed is accessible in a timely manner to all.

As you may be aware, Madam Speaker, in February 2015, Cabinet granted approval of the policy guidance for the development of a long-term residential mental health facility. This document outlines the broad policy direction to be followed by the steering committee which was charged with the procurement process for the development of the facility. Subsequently, the strategic outline case was finalised and a request for proposals was advertised.

Madam Speaker, the successful bidder was KPMG, which was awarded the contract in October 2015 to prepare an outline business case for a proposed long term residential mental health facility.

The training on the mental health legislation provided by the Mental Health Commission has been in high demand.

Madam Speaker, you may recall that in 2014 the Mental Health Commission provided two training sessions. In 2015 the Mental Health Commission conducted six training sessions to the Royal Cayman Islands Police Service; the Department of Community Rehabilitation; Prison Services; staff at the Health Services Authority (including members of the support group and the community); and the Department of Education Services, Allied Health professionals, specialists and teachers.

Madam Speaker, training sessions will continue on a regular basis in 2016.

It is a requirement under the Mental Health Law 2013 for all detention forms to be sent to the secretary of the Mental Health Commission for storage and filing. The forms are reviewed by the secretary to determine whether the members of the Mental Health Commission need to be notified of any outstanding issues or observations.

Madam Speaker, for the year 2015 there were 43 patients admitted for various types and degrees of mental illness, with over 75 detention forms received. During this period no request for an appeal was received by the Commission.

Madam Speaker, in order to assist the Royal Cayman Islands Police Service with understanding their roles and responsibilities under the Mental Health legislation, the Mental Health Commission developed a one-page flier that can be distributed among the three Islands. Madam Speaker, the flier was officially handed over by the Chief Officer and the Chair of the Mental Health Commission to the Deputy Commissioner of Police.

In November 2015, the Chair of the Mental Health Commission presented at an annual Healthcare Conference on the topic, "Bridging the Gap—The State of Mental Health in the Cayman Islands." There were more than 700 participants in attendance. As well, a workshop was held focusing on "Mental Health—Let's Talk About It."

Madam Speaker, the annual Healthcare Conference has helped to highlight the importance of mental illness and health within the community among friends, families, and caregivers. It has given new meaning to mental health as people have become more knowledgeable, acceptable, and tolerant of those persons who suffer from a mental illness.

Madam Speaker, the Ministry with technical and financial assistance provided by the Pan American Health Organisation, convened a stakeholder meeting for one and half days to develop a National Mental Health Policy. Consultant Psychiatrist Professor, Wendel Abel, from Jamaica, facilitated the meetings. The Ministry is awaiting the final draft of the policy.

Other work of the Mental Health Commission during 2015 involved: participation in World Mental Health Day activities celebrated each year on 10th of October; participation at the Second Caribbean Regional Symposium on Suicide Prevention hosted in the Cayman Islands; collaborating with the Health Services Authority Ethics Committee to ensure that persons conducting research in mental health fulfil established criteria; and working with the counsels for professions allied with medicine to develop scopes of practice for mental health practitioners registered under counsels for professions allied with medicine.

Madam Speaker, before I take my seat I would like to acknowledge the work of Deputy Chair Dr. Taylor Burrowes who is accepted by the Caribbean Public Health Agency to present the findings of her doctoral research in a poster presentation at the Annual Scientific Conference held in June 2015. I would like to congratulate her on being selected and to encourage her to continue to raise the awareness on mental health in the wider community.

Madam Speaker, in order to mitigate many of the problems in our society that we currently face, I believe we must facilitate early recognition and treatment of common mental illnesses by enhancing access to mental health care through an integrated approach. The Mental Health Commission will continue to educate, inform and empower those individuals who require our assistance.

Madam Speaker, we have a Mental Health Commission that is committed and has been working diligently since its formation. And the Mental Health Commission continues to advocate and promote mental wellness for all in the community. We are one step closer since our last report in addressing the need for a long term residential mental health facility for chronically ill mental health patients.

Madam Speaker, in closing I would like to thank my Chief Officer and Ministry staff and the members of the Mental Health Commission for their hard work, dedication and commitment to a subject that affects all of us. "Indeed"—the World Health Organisation notes—"there is no health without mental health."

Thank you, Madam Speaker.

HEALTH INSURANCE (AMENDMENT) REGULATIONS 2016

The Speaker: I recognise the Honourable Premier.

The Premier, Hon. Alden M. McLaughlin: Madam Speaker, I would like to lay on the Table of this honourable House, proposed amendments to the Health Insurance Regulations.

As is outlined in the motion, section 25(2) of the Health Insurance Law Revision provides that regulations made under the law are subject to affirmative resolution by the Legislative Assembly.

Madam Speaker, I am, therefore, tabling those regulations to be affirmed by this honourable House.

The Speaker: So ordered.

Please proceed, Honourable Premier.

The Premier, Hon. Alden M. McLaughlin: The proposed amendments are made up of two clauses:

Clause 1 on page 3 provides the citation and the commencement. Honourable Members will note that the proposed commencement of the Amended Regulations is after the Health Insurance (Amendment) Law 2016 comes into force. I will be speaking to those amendments to the Health Insurance Law when we deal with the Bills later in this meeting.

Madam Speaker, clause 2 on page 3 repeals sub-regulation (1) of regulation 5 and substitutes a new sub-regulation. Under the new provision the Cayman Islands National Insurance Company will pay \$10 per month of each premium charged under each standard health insurance contract in respect of an insured person with no dependents; and \$20 per month of each premium charged under each standard health insurance contract in respect of an insured person with dependents.

However, Madam Speaker, with these amendments, this contribution to the contributions outlined above will not apply to persons in the following categories for whom Government affects a contract of health insurance: each officer in a pensionable office or on probation to such an office; each officer serving under a local or overseas contract; each officer in a temporary office; each public officer pensioner; each indigent person; each elected member of the Legislative Assembly; and where the Speaker is not a member of the Legislative Assembly, the Speaker; each past elected member of the Legislative Assembly who is a public office pensioner; the dependents of persons specified above; a seaman 55 years of age or older and his dependents; a widow of a seaman; a veteran and his dependents; a widow of a veteran; and any other person approved by Cabinet.

All other approved health insurance providers will continue to pay \$10 per month of each premium charged under each standard health insurance contract for individual policy holders with no dependents and \$20 per month of each premium charged under each standard health insurance contract for individual policy holders with dependents.

Members of this honourable House are likely to be aware that these funds are collected into what is called the Segregated Insurance Fund. And that fund is used by the Government towards to cost of healthcare for indigent persons.

Madam Speaker, during the preparation of the 2014/15 Budget, it was necessary for the Government to reduce operating expenditure in order to meet the operating expenditure targets mandated by the Foreign and Commonwealth Office. In light of this, the Honourable Minister for Finance and Economic Development decided that CINICO should be exempt from paying the Segregated Insurance Fund insurance fund fees for civil servants, retired civil servants, seafarers and veterans retroactive to 1st July 2014.

However, CINICO will continue to pay the Segregated Insurance Fund fees for members or policy holders under the standard health insurance contract plans and for members employed with statutory authorities and government companies.

This policy decision was made to eliminate the right pocket to left pocket transfer of funds back and forth between Government and CINICO. Government would pay the premiums for civil servants, pensioners, seafarers, and veterans inclusive of the Segregated Insurance Fund contribution over to CINICO, and CINICO would remit the Government's Segregated Insurance Fund contributions to the Ministry of Health. The effect was to artificially inflate Government's expenditure even though the funds were recollected and reflected in revenue.

When the funds collected, were then spent on indigent health care, they were effectively double counted in the expenditure. Removing this contribution for which the individuals that Government pays health insurance premiums would result in a more accurate reflection of expenditure, only counting the funds once, when they are spent on indigent care.

Madam Speaker, as every Member sitting here would be aware, with this change the revenue for the Segregated Insurance Fund will decrease with no guarantee of a corresponding decrease in premiums paid by the Government to CINICO on behalf of its members. However, I want to reemphasise that CINICO will continue to collect and remit the Segregated Insurance Fund contributions for its non-government clients, including the elderly, health impaired and lower income insured groups.

Madam Speaker, these amendments are the result of consultation with the Superintendent of Health Insurance, the Ministry of Finance, and CINICO.

I would also like to thank the Ministry of Health and Culture staff and the staff of the Legislative Drafting Department for their dedication and support in ensuring that these amendments were able to reach this House.

I look forward, Madam Speaker, to receiving the support of this House so that the amendments can be brought into effect.

Thank you, Madam Speaker.

REPORT OF THE STANDING BUSINESS COMMITTEE—FOURTH MEETING OF THE 2015/16 SESSION OF THE LEGISLATIVE ASSEMBLY

The Speaker: I recognise the Honourable Premier.

The Premier, Hon. Alden M. McLaughlin: Madam Speaker, I beg to lay on the Table of this honourable House the Report of the Standing Business Committee for the Fourth Meeting of the 2015/16 Session of the Legislative Assembly.

The Speaker: So ordered.

Does the Honourable Premier wish to speak to this report?

The Premier, Hon. Alden M. McLaughlin: No thank you, Madam Speaker.

OFFICE OF THE AUDITOR GENERAL CAYMAN ISLANDS ANNUAL REPORT 30TH JUNE 2015

The Speaker: I recognise the Honourable Second Elected Member from the district of George Town.

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

Madam Speaker, I beg to lay on the Table of this honourable House the Annual Report of the Office of the Auditor General of the Cayman Islands for the year ended 30th June 2015.

The Speaker: So ordered.

Does the Honourable Second Elected Member from George Town wish to expound upon his report?

Mr. Roy M. McTaggart: I do have some brief comments, Madam Speaker, with your indulgence.

The Speaker: Please proceed.

Mr. Roy M. McTaggart: Colleagues, I am pleased to be tabling today the Annual Report of the Office of the Auditor General for the year ended 30th June 2015.

As the former Chair of the Public Accounts Committee the current Chairman has allowed me to bring this Report forward in accordance with the pro-

visions of the Public Management and Finance Law, and I thank him.

The Annual Report is being tabled as provided for in the Public Management and Finance Law. More importantly, it contains pertinent accountability information about the Office of the Auditor General, including their annual financial statements, which have once again received an unqualified opinion from the accounting firm of Baker Tilly.

The Report provides Members of the Legislative Assembly with information about the results achieved by the Office of the Auditor General in 2014/15, the activities it carried out to achieve those results, and the various types of work that the office undertakes to ensure that it achieves its stated mission.

The Report also provides Members with useful information about how the office uses its resources.

I would like all Members of this House to read this Report and, in the appropriate circumstances, use the information to ask questions about the operations of the office and how they use public funds to achieve their stated mandate. This would close the accountability loop started when we appropriated funding for the office in May 2014.

I am pleased to report that the Office of the Auditor General continues to strive for accountability and transparency in the use of public funds and in doing so, has contributed to the continuing improvements Government has been making to its management framework.

The Annual Report discusses the Audit Reports produced by the Office of the Auditor General for both the financial and performance audits he conducts of all Government entities. The Annual Report includes a detailed discussion of the financial results in a section called "Management Discussion and Analysis." This section of the Report, along with other key sections, meets the international reporting standards required by the International Public Sector Accounting Standards Board in its latest practice guideline.

As a former Chair of the Public Accounts Committee I hope that we will see more Annual Reports tabled by other entities in Government that provide Members of the Legislative Assembly with similar information to that of the Auditor General. That would continue the trend we have seen towards a more accountable public sector.

Thank you, Madam Speaker.

NATIONAL TRUST FOR THE CAYMAN ISLANDS FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT—30TH JUNE 2015 AND 2014

The Speaker: I recognise the Honourable Minister responsible for Financial Services.

Hon. G. Wayne Panton, Minister of Financial Services, Commerce and Environment: Thank you, Madam Speaker.

I beg to lay on the Table of this honourable House the Financial Statements and Independent Auditor's Report for the periods June 30, 2015 and 2014 for the National Trust for the Cayman Islands.

The Speaker: So ordered.

Can someone please call my Serjeant into the Chamber?

[Pause]

The Speaker: Honourable Minister, would you wish to do both of them at the same time or do you want to do them individually?

Hon. G. Wayne Panton: Madam Speaker, I think it would be convenient to do both at the same time.

The Speaker: Agreed.

NATIONAL TRUST FOR THE CAYMAN ISLANDS ANNUAL REPORT JULY 2014—JUNE 2015

The Speaker: Honourable Minister for Financial Services.

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

I beg to lay on the Table of this honourable House the Annual Report for the National Trust for the Cayman Islands for July 2014 to June 2015.

The Speaker: So ordered.

Does the Honourable Minister wish to speak to these two Reports?

Hon. G. Wayne Panton: Thank you, Madam Speaker, very briefly if I may.

The Annual Report, Madam Speaker, is quite comprehensive and the audited Financial Statements have been audited by the Auditor General and an opinion has been issued, which is a qualified opinion. And just in respect of that . . . sorry, this is an independent auditor. And in respect of that, Madam Speaker, the basis for the qualified opinion is that "the Trust derives a substantial portion of its revenue from sources which cannot be fully controlled until they are entered into the accounting records and are, therefore, not susceptible to independent audit verification." [UNVERIFIED QUOTE]

However, notwithstanding that, Madam Speaker, except in respect of matters described in relation to the qualified opinion, the auditors do believe that the financial statements presented, do represent fairly in all material respects the financial position for the Trust as at June 30 2015 and its financial

performance and its cash flows for the year then ended in accordance with accounting principles generally accepted.

Madam Speaker, the Report, as I said earlier, that is quite comprehensive and I certainly commend the reading of the Report to the honourable Members of this House as well as the public. I think it very fairly and well highlights the activities of the National Trust for the Cayman Islands in fulfilling their legislative mandate.

With that, Madam Speaker, I will take my chair. Thanks.

CAYMAN MARITIME ANNUAL REPORT 2014/15

The Speaker: I recognise the Honourable Minister for Financial Services.

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

I beg to lay on the Table of this honourable House the 2014/15 Annual Report and the related audited financial statements for the Maritime Authority of the Cayman Islands for the financial year ended June 30, 2015.

The Speaker: So ordered.

Does the Honourable Minister wish to speak to it?

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

Madam Speaker, the audited financial statements just tabled, consists of the Statement of Financial Position, Statement of Comprehensive Income, Statement of Change in Equity, Statement of Change in Cash flows, and the notes to the financial statements.

Madam Speaker, the Statement of Financial Position of the Maritime Authority as at June 30, 2015, shows that the total assets were valued at CI\$5.1 million, which is an increase of 12.8 per cent over the previous period. Total liabilities were CI\$1.6 million, giving a total net worth increase of 7.7 per cent, which is up to CI\$3.5 million.

The Statement of Comprehensive Income indicates that the Authority reported and closed for the 12 months ended 30th June 2015, a comprehensive income of CI\$449,740.

Just highlighting the operational side, Madam Speaker, MACI celebrated in June of 2015 its 10th anniversary of operation. The operations of MACI reflect the activities which represent aggressive and effective competition against other international shipping registries, all of which are vying for similar quality clients.

The registry, Madam Speaker, maintains its dominance in the pleasure yacht market and it is particularly strong in providing oversight and advisory

services in the design and construction of large commercial yachts and, more recently, in the passenger yacht segment.

The Cayman Islands Registry, Madam Speaker, is a leading flag in the industry. It maintains a very large portfolio of new-build yachts under both the large yacht code and the passenger yacht code new builds. We are responsible for the majority of the global passenger yacht code new-build market.

The vision, Madam Speaker, of the Registry is to be the leading Maritime Administration in the provision of exceptional services to the global shipping industry and shipping community. In pursuit of this, Madam Speaker, MACI has over the past year worked very closely with Cayman Enterprise City to push forward the concept of making the Maritime Industry a separate economic pillar for the Cayman Islands in its current form of economy.

The aim of the Registry is to develop Cayman into a full service international maritime centre and for Cayman to experience all of the added value that this new reality could create. This includes the creation of new jobs ranging from management, logistics and crew operations to chandlery functions and on-board crew. The Registry continues to explore, Madam Speaker, new markets in Brazil, Columbia and Panama. Global reach has certainly been expanded with representation now in 14 locations worldwide.

Madam Speaker, the Registry in the Cayman Islands continues to maintain its white listing and low risk status across the three major port state controlled MOUs. And for the first time in MACI's history the Tokyo MOU on port state control listed the Cayman Islands in the top six performing maritime administrations in their 2014 report. MACI is also recognised as a leader in client services and is, in fact, International Organisation for Standardisation (ISO) certified to be the ISO 9000:2008 Quality Management Standard.

All of the above has culminated in the Registry being recognised, Madam Speaker, again, by the International Chamber of Shipping as one of the top 14 performing maritime administrations for the third consecutive year.

Madam Speaker, I would also like to mention that the Nairobi International Convention on the Removal of Wrecks entered into force internationally on the 14th April 2015. The Convention provides the legal basis for states to remove or have removed shipwrecks that may have the potential to adversely affect the safety of lives, goods and property at sea, as well as the marine environment. It will make ship owners financially liable and require them to take out or provide other financial security to cover the cost of wreck removal. It also provides states with a right of direct action against insurers. Flag states that have adopted the Convention will issue the required Wreck Removal Insurance Certificate to the vessels that the Convention applies to for a fee.

The Cayman Islands will request the extension of the Wreck Removal Convention once local regulations are past, which will give effect to the Convention. Cayman will then be able to direct the removal of wrecks and be able to benefit from the right of direction and the Registry will then be able to issue certificates and generate earnings estimated currently in the region of just under CI\$250,000 per annum.

In respect of the financial statements and the audited report, Madam Speaker, there is a qualification. The basis for the qualification is that the Authority could not recognise the estimated costs related to future obligations under its post-retirement healthcare plan, as no actuarial valuation had been completed. This actuarial valuation, Madam Speaker, will be completed by the end of May 2016 to determine the value of the post-retirement healthcare liability for the Authority.

In closing, Madam Speaker, I would like to recognise and thank the current and previous Boards, the management and staff of the Maritime Authority of the Cayman Islands for an excellent job. It would be remiss of me, also, not to mention the continued support and cooperation of our ship owners, yacht managers, other global partners and the local private sector for their invaluable contributions via the Cayman Islands Shipowners' Advisory Council, its associated Yacht Committee and the local Maritime Sector Consultative Committee. Without this broad based and genuine partnership, Madam Speaker, the Authority and the Registry would not be the successful global leader it is today.

Thank you.

**NATIONAL CONSERVATION COUNCIL—
PROMOTING AND SECURING BIOLOGICAL DIVERSITY AND THE SUSTAINABLE USE OF NATURAL RESOURCES IN THE CAYMAN ISLANDS—
ANNUAL REPORT 2015**

The Speaker: I once again recognise the Honourable Minister of Financial Services.

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

Madam Speaker, I beg to lay on the Table of this honourable House the Annual Report, I should say the First Annual Report, for the National Conservation Council of the Cayman Islands for the period of 12 September 2014 to 30 June 2015.

The Speaker: So ordered.

Does the Honourable Minister wish to speak to this Report?

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

Madam Speaker, the National Conservation Council was established by and facilitates the goals of the National Conservation Law, which are:

1. to promote and secure biological diversity and the sustainable use of natural resources in the Cayman Islands;
2. to protect and conserve endangered, threatened and endemic wildlife and their habitats;
3. to provide for protected terrestrial wetland and marine areas; and
4. to give effect to the provisions of certain international conventions.

The functions of the National Conservation Council are set out in Part 2, section 3 of the law.

Madam Speaker, the Law regulates the composition of the Council and it is comprised of 13 members. Those are eight persons appointed by Cabinet with certain technical qualifications, a person nominated by the National Trust, as well as ex-officio positions being: the Director of Agriculture, as a nominee; Director of Planning, Director of Environment, Deputy Director of Research for Environment at the Department of Environment. This first Council, Madam Speaker, was appointed from the 12th September until September 2016.

The Council activities, Madam Speaker, so far include the adoption of a Manual of Policy and Procedure which was done at their meeting held on 3rd December 2014. The Manual contains rules for administration of the Council, a code of conduct, a procedure for disclosure of interest, and a Register of Interest. The Council chose to adopt the model code of conduct proposed by the Commission for Standards in Public Life, Madam Speaker.

The Council held quarterly meetings from the 3rd December 2014 on the following dates: 3rd December 2014, 24th February 2015, and 26th May 2015. All meetings have been held at the Government Administration building with the exception of the inaugural meeting which took place at the Department of Environment conference room.

Madam Speaker, the National Conservation Council has been focused on preparing for the coming into force of the remaining substantive portions of the law relating to conservation of land and wildlife, permits and licensing, enforcement and penalties, and general provisions. Over a series of preparatory workgroups the Department of Environment provided the Council with a detailed review of the Law and a proposed order of entry into force of the remaining parts.

Madam Speaker, the National Conservation Council also formed certain sub-committees to deal with significant issues and these included:

1. An Invasive Species Committee;
2. A Climate Change Committee; and
3. The Alien Plant Importation Committee.

Madam Speaker, in terms of Council expenses, the initial budget for the Council was submitted to the Ministry for the entire 21-month period from September 2014 to June 2016 inclusive with a total budget of CI\$54,000. Which was made up of Council expenses in meetings for nine months of CI\$20,000; for 2015/16 Council expenses, meetings for 12 months of \$25,000; and for 2015/16 Marine Protected Areas designation and management plans expenses and species conservation plans expenses of CI\$8,988.

The Environmental Protection Fund, Madam Speaker, under section 3(9) of the National Conservation Law provides that the Council shall manage and make recommendations of the use of the Environmental Protection Fund. However, sections 46 and 47 of the Law, which detail the operation, management and reporting activities on activities funded from the fund, have not been implemented as yet. The fund, therefore, continues to be operated under the existing structure, which describes the purpose of the fund as defraying expenditure incurred in protecting and preserving the environment of the Islands. As such, Madam Speaker, this Report merely notes that the Cayman Islands Government 2015/16 Annual Plan and Estimates forecasted that the closing balance of the fund for 2014/15 would be approximately \$56,337.

In the year ahead, Madam Speaker, in addition to its other duties under the law, the Council's main goals and objectives for the financial year 2015/16 will be:

1. To provide input for the implementation of Parts 5 and 7 of the Law is a critical priority that the Council and the Department of Environment can function effectively.
2. To complete the enhanced marine protection area consultations, which they have done with recommendations made to Cabinet.
3. To commence implementation of a management plan procedure for marine protected areas, assuming those are approved.
4. To initiate terrestrial protected areas nomination processes, protection of areas of Crown land and our conservation agreements in respect of private land.
5. Reviewing and implementing three to five species conservation plans.
6. They will also be developing Council policy in relation to climate change adaptation and mitigation with a view to providing advice to the Ministry and Cabinet on that important area.
7. In addition, developing an overall vision for the Council's implementation of its functions and five year plan.
8. Finally, Madam Speaker, they will continue to be engaged in outreach and education opportunities with conservation partners.

I would like to take the opportunity as the Minister for the Environment, Madam Speaker, to sincerely

ly thank all of the Council members for their hard work and unselfish dedication and service to the people of these Islands through their work on the National Conservation Council.

Thank you.

TAX INFORMATION AUTHORITY (TAX INFORMATION AGREEMENTS) ORDER 2016

The Speaker: I recognise the Honourable Minister responsible for Financial Services.

Hon. G. Wayne Panton: Madam Speaker, I beg to lay on the Table of this honourable House the Tax Information Authority (Tax Information Agreements) Order 2016, issued under the Tax Information Authority Law (2014 Revision).

The Speaker: So ordered.

Does the Honourable Minister wish to speak to the Report?

Hon. G. Wayne Panton: Madam Speaker, the purpose of laying the Order is in conjunction with a separate Government Motion which will be brought subsequently and is listed on the Order Paper. So I will speak to it in more detail at that time.

Thank you.

EIGHTH REPORT OF THE COMMISSION FOR STANDARDS IN PUBLIC LIFE—20 AUGUST 2013 – 15 FEBRUARY 2014

The Speaker: I recognise the Honourable Deputy Governor.

The Deputy Governor, Hon. Franz Manderson: Thank you, Madam Speaker.

I beg to lay on the Table of this honourable House the Eighth Report of the Commission for Standards in Public Life, which covers the reporting period 20 August 2013 to 15 February 2014.

The Speaker: So ordered.

Does the Honourable Deputy Governor wish to lay the Ninth Report at the same time or do you wish to separately?

The Deputy Governor, Hon. Franz I. Manderson: *[Inaudible reply]*

The Speaker: Okay. Please proceed.

The Deputy Governor, Hon. Franz Manderson: Thank you, Madam Speaker.

I shall offer a brief overview of the Eighth Report of the Commission of Standards in Public Life, which covers the progress made and the key issues arising from the completed work by the Commission

during their final six months in office. We now have a new Commission with a new Chair. That is the period 20 August 2013 to the 15th February 2014.

Madam Speaker, during the reporting period the Commission reiterated its desire to see reports of its Commission laid before the House as soon as practicably possible. It continued to reaffirm its undertaking to uphold, promote and apply the seven core principles which form the basis of a universal standard of good governance. They also worked on our Procurement Law and I want to thank them for the work that they have done on that and it should be going to our Cabinet shortly.

The Commission also witnessed the unanimous passing in this honourable House of the Standards in Public Life Law 2014.

The Commission also spent a considerable amount of time reviewing the matters of conflicts of interest with respect to public officials, participating in discussions and reviewing best practices as it relates to procedures for appointing members to public authorities and their terms of appointment.

Madam Speaker, over the their four-year term the members of the Commission have been able to assist in the setting of the highest standards of integrity and competence by creating a code of conduct which incorporated the 'Nolan principles' recommended for use by all boards and committees associated with our statutory authorities and government owned companies and all Chief Executive Officers and Directors of our statutory authorities and government owned companies.

They also monitored standards of ethical conduct by providing guidance on conflicts of interest; sourcing legal clarity on the meaning of the remit and reviewing the draft Ministerial Code of Conduct, which we are most grateful for; reviewing extensively the existing process and made in depth recommendations for awarding public contracts; they have reviewed existing procedures for appointing members to public authorities and subsequently made recommendations and created a declaration form for use by public officials; recommended the 'Nolan principles' as the seven core principles which govern standards in public life; submitted reports every six months to this honourable House (this report being its eighth such report); engaged in numerous community engagements and public relations. They also promoted openness and transparency through the posting of minutes and other relevant documents to their website.

Madam Speaker, I wish to thank the Chairperson Mrs. Karin Thompson MBE, as well as members, Ms. Nyda May Flatley and Hedley Robinson and Mr. Ian Wight for their dedication to the work of the Commission during their four year tender. We owe them all a depth of gratitude for their hard work.

Madam Speaker, finally I would encourage Members of this House and the public to familiarise themselves with the contents of the Report, which is

available on the Commission's website which is www.standardsinpubliclifecommission.ky.

Thank you, Madam Speaker.

NINTH REPORT OF THE COMMISSION FOR STANDARDS IN PUBLIC LIFE—1 FEBRUARY 2015 – 31 JULY 2015

The Speaker: I recognise the Honourable Deputy Governor.

The Deputy Governor, Hon. Franz Manderson: Thank you, Madam Speaker.

I beg to lay on the Table of this honourable House the Ninth Report of the Commission for Standards in Public Life which covers the period 1st February 2015 to the 31st July 2015.

The Speaker: So ordered.

Does the Honourable Deputy Governor wish to expound further?

The Deputy Governor, Hon. Franz Manderson: Yes, Madam Speaker, briefly.

Madam Speaker, the Ninth Report of the Commission for Standards in Public Life relates to the period 1st February 2015 to the 31st July 2015. The Commission for Standards in Public Life was reconstituted in February 2015 under the leadership of Ms. Rosie Whittaker-Myles, along with members Ms. Sheenah Hislop and Pastor Shian O'Connor.

This Report covers the progress made and the key issues arising from the work completed by the Commission during their first six months in office.

During the reporting period the new members sought to bring themselves up to date on the work of the previous Commission. They reviewed the Standards in Public Life Law, and considered possible amendments to the Law and the relevant content for the Standards in Public Life Regulations. In addition, the Chairman accepted an invitation to attend a Commonwealth Caribbean Association of Integrity Commissions and Anti-corruption Bodies in Grenada from the 21st through 27th June 2015, whose theme was "Strengthening Integrity Commissions and Anti-Corruption Bodies in the Commonwealth Caribbean."

The Commission has also hosted several introductory meetings with relevant personnel.

Madam Speaker, in the next reporting period the Commission intends to:

- follow through with the arrangements in place to host additional meetings so that they can familiarise themselves with the work;
- continue to work towards bringing into force the Standards in Public Life Law, and that is on our agenda here during this Meeting, Madam Speaker, along with the relevant regulations;

- they intend to review the current Register of Interest, supervised by the Clerk of this Parliament;
- engage the media, the private sector and the general work on the Commission and on the need for the involvement of all in the fight against corruption through greater transparency and accountability by all persons in public life;
- they also intend to engage in local and regional cooperation efforts, where possible; and to
- continue to build on the work of the previous Commission.

Madam Speaker, finally, I again encourage Members of the House and the public to familiarise themselves with the contents of the Report which is available online at the Commission's website.

Thank you, Madam Speaker.

ANNUAL REPORT OF THE CIVIL AVIATION AUTHORITY OF THE CAYMAN ISLANDS 2014/15

The Speaker: I recognise the Honourable Deputy Governor.

The Deputy Governor, Hon. Franz Manderson: Thank you, Madam Speaker.

I beg to lay on the Table of this honourable House the Annual Report of the Civil Aviation Authority of the Cayman Islands as of the 30th June 2015.

The Speaker: So ordered.

Does the Honourable Deputy Governor wish to speak to the Civil Aviation Authority Report?

The Deputy Governor, Hon. Franz Manderson: Thank you, Madam Speaker, again briefly.

Madam Speaker, I will speak to the Annual Report and then speak a bit about the financial statement as of June 2015.

Madam Speaker, I know that it has been the desire of our Auditor General to ensure that not only are financial statements Tabled in the LA, but the Annual Report. I think that was just said by the former Chair of the Public Accounts Committee. So I want to acknowledge the work of the Director General of the Civil Aviation for going forward and completing this Annual Report, which sets out in detail the work of the CAA.

Madam Speaker, the Annual Report for the 2014/15 financial year, despite increasing challenges, was another successful year for the Authority which has resulted in the highest net income ever realised. This result is a testament to the prudent management of the Authority's finances and the critical decision making by the Authority's management in addition to the commitment and dedication of its employees. And

I certainly wish to record my thanks for their hard work and their diligence and professional ability.

The CAACI is one of the few statutory authorities that rely on non-coercive revenue for sustainability through the operation of its Offshore Aircraft Register. The Authority is the unique public service entity that competes in the global market for the registration of aircrafts and they do this worldwide. Many jurisdictions recognise the potential of this lucrative asset management activity and, as a result, the CAACI faces increasing competition from other jurisdictions around the world who have established aircraft registers.

In addition, the CAACI faces the challenge of attracting and retaining appropriate human capital resources as regulatory activities dictate that we need highly specific and technically qualified persons who can provide excellent service. And, of course, the work that they do surrounds safety and as we know keeping the persons who fly safe, is the paramount consideration.

While there are many factors beyond the control of the Authority that would influence its financial performance, management continues a diligent approach to ensure that efficiencies and service levels are optimised through training, IT implementation and upgrades, adherence to sound regulatory standards, and appropriate staff recognition and incentives.

In addition to the financial performance, which I will comment on next, it should be recognised that the Authority has maintained the Governor's Designation for regulatory oversight of all functional areas following successive assessments by the UK Air Safety Support International, which is carried out as a means of assessing the ability of the Authority to comply with the UK international aviation obligations under the Convention on International Civil Aviation, also known as the 'Chicago Convention.'

Components of the financial statements: The audited financial statements just tabled, Madam Speaker, consist of the Statement of Financial Position; the Statement of Comprehensive Income; the Statement of Cash flows; et cetera.

Madam Speaker, growth in equity: The Authority for the fiscal year 30th June 2015 indicates that the net assets of the organisation have increased by \$1,380,000 or 40 per cent. Again, that is excellent. However, the equity at the end of 2014 and 2013 were restated down by \$1,462,000 to account for the post-retirement pension and healthcare obligations of the long serving staff. These two obligations were subject to two separate actuarial valuations carried out by Mercer and produced recommendations, IAS (International Accounting Standards). Nineteen (19) presentations resulted at June 2015, 2014 and 2013. The net worth of the Authority stood at CI\$4.8 million as of the 30th June 2015 and includes all the recommendation adjustments in the Mercer Actuarial Valuation for those contingent liabilities.

Operating activities during the year ended 30th June 2015: Madam Speaker, in terms of the operating activity of the Authority during the fiscal year ended 30th June 2015, the following summary is pertinent for the Authority:

- produced total revenue of CI\$7.34 million with just over \$6 million of that being attributable to the Aircraft Registry;
- incurred total expenses of CI\$4.1 million;
- generated an operating surplus in the amount of CI\$3.2 million, before re-measurement of the post-employment benefit obligations, producing a positive adjustment of \$318,000 which resulted in a total comprehensive income for the year of \$3.55 million.

Madam Speaker, the Auditor General issued an unqualified opinion (and this is becoming the norm now in the Public Service) on the financial position of the Authority as at the 30th June 2015. In the past the financial statements had been qualified because of the pension evaluation which I had mentioned earlier. That matter has now been addressed.

So, Madam Speaker, the Auditor General has stated that the financial statements present fairly in all material respects the financial position of the Civil Aviation Authority of the Cayman Islands as at the 30th June 2015.

And finally, Madam Speaker, I just want to congratulate the Director General and his team for the outstanding work that has realised this outstanding performance and we look forward to another productive year from him and his team.

Thank you.

**MINISTRY OF DISTRICT ADMINISTRATION,
TOURISM AND TRANSPORT ANNUAL FINANCIAL
STATEMENTS FOR THE YEAR ENDED 30TH JUNE
2015**

The Speaker: I recognise the Honourable Deputy Premier.

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

I beg to lay on the Table of this honourable House the audited Financial Statements of the Ministry of District Administration, Tourism and Transport for the fiscal year ended 30th June 2015.

The Speaker: So ordered.

Does the Honourable Deputy Premier wish to speak thereto?

The Deputy Premier, Hon. Moses I. Kirkconnell: Yes, thank you, Madam Speaker, a few brief remarks.

Madam Speaker, the audited financial statements show that the revenue for the year ended 30th

June 2014 was \$28,988,000. There was a surplus of \$711,000. The Ministry had total assets equalling \$21,220,000 resulting in a positive net worth of \$19,110,000.

Madam Speaker, the Acting Auditor General states: "In my opinion, except for the possible effects of the matters described in the basis for qualified opinion, the financial statements present fairly in all material respects the financial position of the Ministry of District Administration, Tourism and Transport, as of June 30, 2015 and its financial performance for the year then ended in accordance with International Public Sector Accounting Standards." [UNVERIFIED QUOTE]

Madam Speaker, the Ministry still has work to do in order to accomplish an unqualified audit opinion. As always, we must continue to move forward and strive for further improvement in the accountability process.

Madam Speaker, the Ministry's team led by the Chief Officer and the Chief Financial Officer are working hard with their team to achieve an unqualified audit. So I take this opportunity to thank the Ministry's staff and the Office of the Acting Auditor General for the hard work that has gone into producing the audited financial statements of the Ministry.

I now invite the Members of this Honourable House and the public to review the reports in detail.

Thank you, Madam Speaker.

**CAYMAN ISLANDS ELECTRICITY REGULATORY
AUTHORITY 2014/15 ANNUAL REPORT**

**CAYMAN ISLANDS ELECTRICITY REGULATORY
AUTHORITY FINANCIAL STATEMENTS FOR THE
YEAR ENDED 30TH JUNE 2015**

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

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

I beg to lay on the Table of this honourable House the 2014/15 Annual Report and the Financial Statements for the ERA for the year ending June 30, 2015.

The Speaker: So ordered.

Does the Honourable Minister wish to speak to the Report and Financial Statements?

Hon. D. Kurt Tibbetts: Very briefly, Madam Speaker.

The Annual Report Members are invited to peruse and that paints the picture of the activities of the Authority for the year. But just to point out in the Auditor General's letter to the Board of Directors of the ERA, in his final paragraph, he says: "In my opinion, the financial statements present fairly in all mate-

rial respects the financial position of the Electricity Regulatory Authority as at 30th June 2015 and its Comprehensive Income and its Cash Flow for the year then ended in accordance with International Financial Reporting Standards.” [UNVERIFIED QUOTE]

Thank you, Madam Speaker.

MINISTRY OF FINANCE, TOURISM AND DEVELOPMENT PUBLIC FINANCE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2013

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

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

Madam Speaker, I beg to lay on the Table of this honourable House the Annual Financial Statements for the Ministry of Finance, [Economic] and Development Public Finance [for the year ended 30 June 2013].

The Speaker: So ordered.

Does the Honourable Minister of Finance wish to speak to it?

Hon. Marco S. Archer: No thanks, Madam Speaker.

FINANCIAL STATEMENTS FOR THE GOVERNMENT OF THE CAYMAN ISLANDS FOR THE YEAR ENDED 30TH JUNE 2014

The Speaker: I once again recognise the Honourable Minister for Finance.

Hon. Marco S. Archer: Thank you, Madam Speaker.

Madam Speaker, I beg to lay on the Table of this honourable House the Financial Statements for the Government of the Cayman Islands for the year ended 30th June 2014.

The Speaker: So ordered.

Does the Honourable Minister wish to speak further to this?

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

Madam Speaker, on the 24th of September 2015 the Auditor General issued an adverse opinion on the Financial Statement for the Government of the Cayman Islands for the year ended 30th June 2014. And on the 26th November 2015, Madam Speaker, I made a detailed statement to the honourable Members of this House on these very same audited financial statements explaining the reasons for the adverse opinion and the actions that are being taken to address the audit qualification, Madam Speaker.

Since that detailed statement has already been provided to the House, Madam Speaker, it is not necessary to provide another extensive statement on the reasons for the adverse opinion. Therefore, I will briefly highlight the action plan that the Government has in place to address the macro-issues that resulted in the adverse opinion.

Madam Speaker, whilst 37 of the 42 public sector entities have received unqualified or clean unqualified audit opinions on their 2013/14 financial statements, the Auditor General has issued an adverse opinion on the 2013/14 Entire Public Sector (EPS) Consolidated Financial Statements. This requires an explanation, Madam Speaker, because the public will not readily understand how an adverse opinion is issued on the EPS Consolidated Financial Statements where 37 of the 42 public sector entities have received either an unqualified (being a clean opinion) or a qualified audit opinion.

The reason for the adverse opinions are not due to audit issues occurring on, in the underlying financial statements, Madam Speaker, instead the adverse opinion is due to the accounting treatment on macro-issues that impact the EPS Consolidated Statements. The macro-issues that have led to an adverse opinion on the EPS 2013/14 Consolidated Financial Statements, Madam Speaker, include:

1. material omissions;
2. property, plant and equipment valuation and completeness;
3. erroneous opening and closing balances;
4. revenue and related receivables completeness; and
5. consolidation integrity issues.

Madam Speaker, the Government has put in place an action plan that addresses each of the macro-issues. Madam Speaker, turning now to number one:

1. Considering an amendment to the Public Management and Finance Law which will permit the use of a modified version of the International Public Sector Accounting Standard No. 25 and allow the Government to disclose details of the post-retirement healthcare liabilities and expenses in the notes to the financial statements as opposed to being shown on the face of those financial statements, Madam Speaker.
2. Reviewing the Public Sector Pensions Law with the view of segregating the assets of the Public Sector of the Public Service Pension Board and those of the three pension plans and mandating separate reporting for each pension plan.
3. Ensuring that fixed asset revaluations are conducted on a five-year cycle in order to ensure consistency of accounting policies across the EPS, Madam Speaker.

4. Requiring the Audit Office to complete all of its audits within the legislated two-month time frame for entity audits so that audit adjustments are properly reflected in the entire Public Sector Consolidated Financial Statements.
5. Conducting a review of the Government's revenue items to determine steps necessary to improve the completeness of recorded revenues.
6. Requiring public sector entities to confirm and agree inter-agency charges along with implementing the Advanced Global Intercompany System to assist with inter-agency eliminations.

Madam Speaker, the Ministry of Finance will be producing a Public Finance Manual which will be in accordance with the best practices and Generally Accepted Accounting Principles (otherwise known as GAP). The Manual will be disseminated to all public sector entities and will serve to improve the consistency in the application of GAP. It is expected that this Manual will be completed by the 30th June 2016.

Madam Speaker, the adverse opinion of the 2013/14 EPS Consolidated Financial Statements is the first audit opinion that has been issued on the EPS Statements since the Public Management and Finance Law was introduced in 2004. Prior to the 2013 EPS Consolidated Financial Statements, such earlier years were given a disclaimer of opinion by the Auditor General's Office, which meant that it was not possible to reach an opinion on the Consolidated Financial Statements for the years prior to 2013/14 fiscal year.

An adverse opinion, Madam Speaker, is not an opinion that satisfies the Government. However, the Government sees this as a significant attestation that financial evidence, retention and reporting have improved. The Government intends to use this opportunity to address the macro-issues that caused the issuance of the adverse opinion and aims to achieve greater accountability and transparency.

Madam Speaker, the Audit Office is currently in the process of conducting its audit on the Entire Public Sector Consolidated Financial Statements for the financial year ended 30th June 2015. It is important to note that the Government will not have resolved all of the macro-issues that were related to the 2013/14 Financial Statements, Madam Speaker. However, as mentioned above, the Government has put in place a plan of action that will in due course and time, resolve issues and improve the audit opinion being received. As soon as the audit of the 2014/15 EPS Financial Statement is completed, Madam Speaker, the Government will present them for tabling in this honourable House.

A copy of the Financial Statements for the Government of the Cayman Islands for the year ended June 30, 2014, Madam Speaker, is available on

the Ministry of Finance and Economic Development's website, which is www.mof.gov.ky.

Thank you, Madam Speaker.

**GOVERNMENT OF THE CAYMAN ISLANDS
CHILDREN AND YOUTH SERVICES (CAYS)
FOUNDATION ANNUAL FINANCIAL
STATEMENTS FOR THE YEAR
ENDED 30TH JUNE 2015**

The Speaker: I recognise the Honourable Minister responsible for Community Affairs.

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

Madam Speaker, I beg to lay on the Table of this honourable House the Report and Audited Financial Statements for the Children and Youth Services (CAYS) Foundation for the year ended 30th June, 2015.

The Speaker: So ordered.

Does the Honourable Minister wish to speak further to the Report and Financial Statements?

Hon. Osbourne V. Boddan: Briefly, Madam Speaker. Thanks.

Madam Speaker, as Members are aware, the functions of the CAYS Foundation's operations include the management and operation of the Francis Boddan Girls Home, a 24-hour residential facility for youth who require care due to being deemed in need of care and protection and girls exhibiting offending behaviours that have been court ordered. As well as the Bonaventure Boys Home, including the Phoenix House, a 24-hour residential facility for youth who have been remanded or committed by the courts for youth rehabilitative services.

Madam Speaker, CAYS continues to assist the Government in meeting its legal obligations under the Children Law (2012 Revision) and the Youth Justice Law (2005 Revision).

Due to the complex issues that at risk youths experience CAYS continues to re-evaluate its therapeutic programmes and expand its services to ensure that appropriate residential treatment is available for those boys and girls who are not able to remain with their families.

The CAYS Foundation received a qualified opinion on the Financial Statements for the financial year ended June 30, 2015. This qualified opinion is common with many charitable organisations as the Foundation derives a substantial portion of its income from donations, fund raising events and similar activities, the completeness of which is not susceptible to audit. However, had the Office of the Auditor General been able to extend the audit to the completeness of

such income it may have been determined that adjustments were necessary to income.

Madam Speaker, while conducting the audit of the CAYS Foundation 2015 Financial Statements, it was the opinion of the Office of the Auditor General, except for the effects of the matter described in the basis for qualified opinion, the financial statements presented fairly in all material respects the financial position of the Foundation as of June 30, 2015. Additionally, its financial performance and cash flows for the year ended in accordance with international financial reporting standards.

Madam Speaker and Members of this Honourable House, the tabling of the CAYS Foundation accounts for the year ended 30th June 2015 brings the Ministry of Community Affairs, Youth and Sports up to date with accounts that have been audited by the Auditor General.

I would like to take this opportunity to thank the Ministry and the agencies that fall under it for ensuring that these accounts were tabled in a timely manner.

Thank you, Madam Speaker.

The Speaker: I recognise the Honourable Premier.

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

The Premier, Hon. Alden M. McLaughlin: Madam Speaker, it is now approaching a quarter to 12:00 and, therefore, I beg to move the suspension of Standing Order 23(7) and (8) to allow Question Time to begin and continue beyond the hour of 11:00.

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

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

AYES.

The Speaker: I believe the Ayes have it.

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

The Speaker: Madam Clerk, the Chair is going to take the morning break at this time.

We will reconvene at 12:00 pm.

Proceedings suspended at 11:50 am

Proceedings resumed at 12:15 pm

The Speaker: Please be seated.
Proceedings are resumed.

QUESTIONS TO HONOURABLE MINISTERS AND MEMBERS OF THE CABINET

QUESTION NO. 35—NEEDS ASSESSMENT UNIT

The Speaker: I recognise the Honourable Member from the District of North Side.

Mr. D. Ezzard Miller, Elected 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 say when the backlog of applications at the Needs Assessment Unit will be cleared up and when those in need of financial assistance will be given an answer to their application?

The Speaker: I recognise the Honourable Minister responsible for Community Affairs.

Hon. Osbourne V. Bodden: Madam Speaker, the answer: The NAU, or the Needs Assessment Unit, processes both temporary poor relief assessment and permanent financial assessments.

Persons seeking temporary assistance are processed within 10 working days, on average, once the needs assessment has been completed and has been deemed that the applicant meets the criteria. However, assessments for permanent assistance have been pending for several years and the NAU is unable to complete the assessments due to insufficient personnel within the unit.

Given the increase in the number of persons seeking temporary financial assistance, and medical indigents, the NAU has been unable to deal with permanent financial assistance in a timely manner as the primary focus has been on providing the basic needs to families seeking temporary financial assistance.

There are approximately 340 applications pending assessment for PFA (Permanent Financial Assistance). However, due to the lack of resources at the Needs Assessment Unit, the applications are not being processed within reasonable timeframes. The Needs Assessment Unit has advised that once they have additional personnel, they will be able to assess the pending applications within a six-month period.

Thank you.

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

SUPPLEMENTARIES

Mr. D. Ezzard Miller: Madam Speaker, from the 340 applications in the answer, it seems like . . . because if I recall, when I put this question in it was at 200.

Can the Minister say if an application has been made to Government to provide the necessary resources to process these applications even if that resource is on a temporary basis?

The Speaker: Honourable Minister for Community Affairs.

Hon. Osbourne V. Bodden: Madam Speaker, the plea by both the Needs Assessment Unit and DCFS [Department of Children and Family Services] has been here from the time I took over the Ministry for more staff.

The Needs Assessment Unit has never been fully staffed. The complement required is some 40 staff. There is just over 20 staff. We are looking to get that up to the region of 30, which would be 75 per cent of the complement for the Needs Assessment Unit in the coming months.

It has been a simple case of budget restrictions, and I am not aware of any volunteer labour or anything of that nature that would be allowed to assist. This is certainly sensitive material and information on people that are being dealt with on a daily basis. We are working hard as Government to try and put the resources where we can manage this backlog. It is certainly unsuitable for everyone concerned. The unit staff, the department staff, the CO, they are all stressed, [and] certainly the stress reaches me. But it is what it is at the moment, so unless there is some magic solutions, that is all I can say at this time.

The Speaker: Member for North Side.

Mr. D. Ezzard Miller: Madam Speaker, through you to the Minister, according to press reports, the Government recently, magically found \$1.7 million to give to private sector employers to employ Caymanians. Is there any possibility . . . these are people who have serious needs. These are not people that are just lining up, particularly the PFAs [Permanent Financial Assistance]; these are senior citizens in our community who built this country that we live in. And I am really disappointed that the Government is taking it so lightly.

I wonder if you cannot lean on your fellow Members in Cabinet to redirect some of that \$1.7 million, maybe a half a million, to get this matter solved on behalf of, particularly, the senior citizens of the country.

The Speaker: Honourable Minister for Community Affairs.

Hon. Osbourne V. Bodden: Madam Speaker, I hear the Member for North Side clearly and I certainly empathise with many of these people.

Sadly, we have reached a situation in this country that we no longer look after our own the way

once did either. We have a lot of families that turn their back on their older people, or even younger people for that matter. Government has a difficult job of trying to provide as much resources as it can.

His idea of reallocation of resources from . . . I think you are talking about a work programme? What was it you were talking about? Is it the Ready to Work Programme? It is something that can be discussed and I would like to see this cleared up, that is for sure. But, at the same time, I know there is a lot more screaming out there because things have been tightened up. It is not as it once was where people were accusing non-Caymanians and this one was not entitled to be getting, and this and that. There was a lot of that and a lot of that has changed where the criteria has been adhered to.

My staff, or the department staff, the unit staff are certainly very cognisant of the criteria and it is not an easy thing to qualify anymore. Obviously, this backlog list of people, are people who are qualified. And as the Member rightly says, a lot of them are elderly people and need care. But, while I'm on the floor, I would certainly like to implore our people out there to do—let's do a bit better as a community of looking after our loved ones and not depending entirely on Government.

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

[Crosstalk]

The Speaker: Honourable Leader of the Opposition.

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

Madam Speaker, sorry about that.

The Minister says there are 340 applications pending assessment. Does the Minister know the amount of persons presently on the list who are getting?

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

Hon. Osbourne V. Bodden: Madam Speaker, please indulge me as I get that. I don't have that number.

The Speaker: Okay.

[Pause]

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

I have been informed that some 2,000 families receive help temporarily and 850 people are receiving PFA, Permanent Financial Assistance.

[Inaudible interjection]

Hon. Osbourne V. Boddén: So 20; that is the total, 20. But the 2,000 is mobile as we know, because it is temporary and it is three months, six months, whatever.

The Speaker: Honourable Leader of the Opposition.

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

Can the Minister say what the total categories of assistance requested are? Sorry. Let me repeat that, Madam Speaker. What are the total categories of assistance requested?

The Speaker: Honourable Minister for Community Affairs.

Hon. Osbourne V. Boddén: Madam Speaker, assistance is rental, utilities, food vouchers, and school lunches. Those are the four main—

[Inaudible interjections]

Hon. Osbourne V. Boddén: Rental assistance; utilities—water and light; food vouchers and school lunches.

[Inaudible interjection]

Hon. Osbourne V. Boddén: School lunches for the kids, yes.

The Speaker: Honourable Leader of the Opposition followed by the Member for East End.

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

Madam Speaker, can the Minister say whether these applications are put forward by parents or guardians of some kind, or the persons themselves?

The Speaker: Honourable Minister for Community Affairs.

Hon. Osbourne V. Boddén: Madam Speaker, I think it is safe to say that there is a combination. It is generally the person themselves looking for assistance, but, of course, if they are a parent, they are looking for assistance with school lunches and food vouchers to assist the family. But there are cases of guardianships as well that we have to look at where there is a formal arrangement as a guardian.

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

Honourable Leader of the Opposition, please proceed.

Hon. W. McKeeva Bush, Leader of the Opposition: Madam Speaker, thank you. I thank the Member too.

Madam Speaker, I am aware of the Minister's predicament in the matter of resources. In the case of school lunches, can the Minister say if there is a backlog in this? How is it being handled?

The Speaker: I recognise the Minister responsible for Community Affairs.

Hon. Osbourne V. Boddén: Madam Speaker, on the whole temporary financial assistance side, we don't really have much of a backlog. There is the assessment period and the assistance is given, so the backlog is primarily on the Permanent Financial Assistance.

I was reminded when I sat down earlier that there is a move on the way that will place a Needs Assessment Unit personnel at the—I know the Member for North Side will be happy to hear this because this came up in Public Accounts Committee. And he brought it up to have someone placed at the HSA [Health Services Authority], which will alleviate some of the back and forth and confusion that exists with people running between HSA and NAU. Both Ministries have agreed on that, and that is actually going to take place shortly. I am also made to understand that that will free up some resources to start to clear the backlog on the PFA.

The Speaker: I recognise the Leader of the Opposition.

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

Can the Minister say what are the . . . and you don't have to give everything, but generally, what are the causes for these requests?

The Speaker: Honourable Minister for Community Affairs.

Hon. Osbourne V. Boddén: Madam Speaker, I think it is safe to say, and I assume that the Leader of the Opposition is referring to the temporary requests. Yes sir? Temporary?

[Inaudible interjection]

Hon. Osbourne V. Boddén: I think it is safe to say that a lot of people in recent times with economic situations have been made redundant. Some people have had issues getting employment, and as a result, we have seen an increase, no doubt in the number of people who have had to come to the Needs Assessment Unit.

People simply just are not making ends meet. There are people who are employed who get assistance, but we have a \$3,000 cap, as you may know.

Therefore, if there is a single mom out there, a mom with two or three kids, who is not making the \$3,000 and she feels that she is not making ends meet, she has a car loan or is paying rent or mortgage, or whatever it is, then these folk come to the Needs Assessment Unit. They are assessed and then they are given help.

I think there is a greater awareness too of the Needs Assessment Unit. More people are aware and the more people that talk about it, and other people say, *Well, you know, why don't you check this out or whatever?* And you will find that the applications have increased. But, generally, it is because people out there are really struggling to make ends meet at times, and therefore, the amount of people have gone up. It is as simple as that.

And, of course, not to forget—and I don't want to extend this, but we are talking about the social network of this country. We have to all—and I know everyone here, we are all family people here. We know the breakup of the family unit. We are seeing more and more of this. I get the requests piled up on my phone. People ask me why I am on my phone so much. I am dealing more with requests than anything else because there is the absentee father. The ladies have children. Then you hear they are gone. Or, there is a separation.

And when it comes to two hands making the pot and it is down to one set of hands, it is very difficult. We are seeing this. Sadly, it is a reality of our social times and it is something that we have to grapple with as a community. You know, we can't tell people to stay together, but certainly we have to try our best to raise our young people in a responsible manner and ensure that they understand the importance of good family unions. At the end of the day, it is all about social breakdown, in my opinion.

The Speaker: Member for East End, you are still giving way, I take?

[Inaudible interjection]

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

Hon. W. McKeever Bush, Leader of the Opposition: I certainly thank you both. And I certainly thank the Minister for his dialogue on causes.

But are there any percentages or numbers that he can point to that are single parents, father or mother? Do we keep those kinds of stats?

The Speaker: Honourable Minister for Community Affairs.

Hon. Osbourne V. Boddan: Madam Speaker, thank you.

We don't have that readily available, but it is something that the system should be quite capable of generating and I can undertake to provide it.

The Speaker: I recognise the Member for East End.

Mr. V. Arden McLean, Elected Member for East End: Thank you, Madam Speaker.

Madam Speaker, the Minister said we have 2,000 families on a temporary basis, 800 permanent. That is what he said.

Trying to justify where they came from was one of my questions, but the Leader of the Opposition did that. Now, I believe, and I am asking the Minister, what relationship are we developing between NAU and the NWDA [National Workforce Development Agency] and, importantly (Family Services Unit, is that the other one?)—

An Hon. Member: Children and Family Services.

Mr. V. Arden McLean: —Children and Family Services? 1) NWDA to get them into work; 2) the breakdown in absentee fathers and what have you, and Social Services—knowing who these are, I believe, there is some relationship there to know where those families are and taking these fathers to court. Social Services can do it. I want to know what you are doing, Minister, to try and get this done. Or if the Government has any intention of making the left hand know what the right hand is doing, so that we can get some of these people off of the dole.

The Speaker: Honourable Minister for Community Affairs.

Hon. Osbourne V. Boddan: Madam Speaker, the Member from East End has hit the nail on the head.

One of the requirements for them when they come in for temporary financial assistance is to now be registered at the NWDA. There is communication and coordination between those two units. The Ready to Work programme is on its way and there is also collaboration of that. Of course, that is under the NWDA, but that is also heavily coordinated now with NAU.

[Inaudible interjection]

Hon. Osbourne V. Boddan: Pardon?

[Inaudible interjection]

Hon. Osbourne V. Boddan: No, No. But there are people (if you think about it) who will go on the Ready to Work Programme who have now been trained up to get employment but at the same time they need a hand up until they are well on their way. So that is what I am talking about there.

But in terms of the fathers, the court, the deadbeat dads (if you want to call them), that is certainly something that I stress very heavily continuously to the applicants and certainly those who come to me, and I am sure we all do. But if there is a way that we can make that . . . and the member just said that the Department of Children and Family Services can do it. Well, if that is the case, and I wasn't absolutely positive, but if that is the case, that is certainly a route that we need to seriously take because that is a major, major part of the problem.

It is a simple case of, you have a family unit, husband, or a man and a woman, living together with their kids, and one leaves. And sometimes it is on the other foot, sometimes the woman is gone and the man is left with the kids. That is reality these days. And it is simple: Once that other income is taken away, that person struggles. It is the reality of what we face, and we have to find a way of making sure that we break that cycle. If not, we are going to be here until the cows come home talking about this. Whichever Minister it is; whichever department head, unit head we are going to be talking about this problem. It is a societal problem. But it is one that we have to hold people to account.

I know I have heard this said here before, but it is time that it is done. People have to know that if you are making children out there, you have to do for those children; simple as that.

The Speaker: Member for East End.

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

Madam Speaker, I agree with the Minister. Let's garnish people's wages. It takes two to tango. And because you walk away, it doesn't mean that you still don't have responsibility for that tango, eh?

[Inaudible interjection]

Mr. V. Arden McLean: Well, you stop working and then, you will have to starve to death.

Madam Speaker, I don't know, in the substantive response, it says, "**however, assessments for permanent financial assistance have been pending for several years.**" People do not need that anymore, do they? Why are we processing those applications? If they have been pending for several years, they have been living. Is there something basically wrong with that one?

The Speaker: Honourable Minister of Community Affairs.

Hon. Osbourne V. Boddin: Madam Speaker, the Member has hit a valid point. In going through those, and processing those now, they will be re-evaluated, I am sure, and some may fall away for whatever reason.

Just to go back to an earlier point that he made as well, and that is about *taking two to tango*, when he mentioned about holding men to account. I want the public to understand, and your good self, Madam Speaker, and honourable Members of this House, that, it is so serious with some of these men out there, that when they find out that they are going to be taken to court, they stop work. They will stop work to not pay. That is how serious this is. And then they got the heart, then to come back and look assistance for themselves.

[Laughter]

Hon. Osbourne V. Boddin: This is a—

[Inaudible interjections]

Hon. Osbourne V. Boddin: This is a serious matter, guys!

I don't know how we can win this because it is difficult. You close one door and another one opens. I know the Member for Boddin Town, the First Elected—

[Inaudible interjections]

Hon. Osbourne V. Boddin: —has been here and he is going to say something.

The Speaker: I recognise the Honourable Deputy Speaker, the First Elected Member for Boddin Town.

Hon. Anthony S. Eden, Deputy Speaker: Thank you, Madam Speaker.

I certainly sympathise with the Minister and I know the effort the [Department of] Children and Family Services put into this.

Just this morning, Madam Speaker, I had a young person—and this different; it sort of blew me out—in a marriage. The marriage has now come apart. The partner got, I assume, Cayman status through the Caymanian spouse, and is now, literally not wanting to support the children that came from this marriage.

Is it my understanding that when things like this happen, either they do that or, you know, Immigration deals with these people? Because, in my understanding, they are refusing and planning, as you just said, Minister, to come and get help from you now, and will not deal with the children. So, I just want to bring that to your attention.

The Speaker: Honourable Minister for Community Affairs.

Hon. Osbourne V. Boddin: Thank you. And I thank the Member.

Madam Speaker, that is the kind of thing that is happening and I can't answer fully on what Immigration. . . but the thing is now, what you will hear is that they have a Caymanian child and we can't kick them off the Island.

Mr. V. Arden McLean: Well, they ain't taking care of the child so they might as well go.

Hon. Osbourne V. Bodden: Right. Well, this is the system we have, guys.

So, people, this has reached a point and then our jail is full. So, where are we going to put them?

What are we going to do?

[Inaudible interjections]

Hon. Osbourne V. Bodden: The answers are not easy folks, but I'm—

The Speaker: Order.

Hon. Osbourne V. Bodden: —here to do my best. And the department and unit are working very hard and we are pumping as much resources as we can into it to ensure that we clear up as much of this as possible.

[Inaudible interjections]

The Speaker: The Fourth Elected Member, did you try to catch my eye?

Mr. Alva H. Suckoo, Jr., Fourth Elected Member for Bodden Town: Thank you, Madam Speaker.

No, actually my question was asked by the Leader of the Opposition. But just to follow up, I would encourage the Minister, through you, to go back to the information that they do have on these applications because I don't think that the Government can tackle these issues without seeing the full picture and knowing what the situation is. So, I would ask the Minister if he would commit to getting the information put together so that the Government can actually make policy decision to address some of these, because I wouldn't want us to put people on trial here, now and today, not knowing the full picture. We don't know to the extent the problems are. We don't know how extensive it is, but I would say that the solution to the problem has to start with the collection of data, so that we can understand where these requests are coming from and what the root causes are.

The Speaker: Honourable Minister for Community Service.

Hon. Osbourne V. Bodden: I can give the Member that assurance that that information is and will be available because the information is very thorough in

terms of what is asked for on all of these cases—very, very thorough. And the ongoing . . . you know, no stone is unturned. People get upset, they scream all the time, they want this and they want that, so you find a lot of people now saying they are not getting help. And why they are not getting help is because they won't provide the unit or the department with the information. I don't think there is any shortage of information. We have the information. It can be collated for all to see. And maybe it is something we sit and we will have to discuss as a body because this is a serious matter.

The Speaker: Madam Clerk, next question . . . Oh, the Fifth Elected Member from George Town.

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

This is just an aside, I guess, to the Honourable Minister. Have we considered welfare to workforce? Meaning, again, people in line with this new work ready programme, getting the skills and then weaning themselves off of social services? Are we telling that and telegraphing that to the people?

The Speaker: Honourable Minister for Community Affairs?

Hon. Osbourne V. Bodden: I thank the Member for that question.

That is exactly what the Ready to Work Programme is about; that weaning off, getting people work-ready, in the sense of their being prepped, they are being groomed to walk into a workplace. And we have volunteer employers who have agreed to take these people on once they are work-ready. That is what that is all about. The whole thing of, also, temporary relief, people having to sign with NWDA and ensure that they are actively pursuing employment opportunities is all a part of it.

[Inaudible interjections]

Hon. Osbourne V. Bodden: Yes. And as I said at the beginning, the relationship is very close between NWDA and the NAU.

The Speaker: The Fifth Elected Member for George Town.

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

Can we get a copy of that policy when you have a chance, please?

The Speaker: Honourable Minister for Community Affairs?

Hon. Osbourne V. Bodden: Yes, Madam Speaker.

The Speaker: Madam Clerk?

QUESTION NO. 36—NORTH SIDE COMMUNITY OFFICER

The Speaker: I recognise the Honourable Member from North Side.

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

Madam Speaker, I beg to ask the Honourable Minister of Community Affairs, Youth and Sports the following question standing in my name: Can the Honourable Member say what the job description is of the North Side Community Officer, including the qualifications and experience required for the job?

The Speaker: Honourable Minister for Community Affairs.

Hon. Osbourne V. Boddén: Madam Speaker, the answer: The purpose of the Community Development Officer's [CDO] post is to facilitate the development of networks as a grass-roots level within the community in which the postholder works to address community-related concerns or problems.

The principal accountabilities of the job description of the CDO are as follows:

- identify and assess concerns, problems and/or issues at the community level with input from persons and groups within that community;
- assist in the development of community projects and/or activities arising out of assessed community needs;
- liaise with various community members and groups to facilitate a coordinated approach to the development and implementation of approved projects, programmes, and activities at the community and national levels;
- promote and assist where appropriate in the education of the community on relevant social issues in order to develop community awareness and stimulate community programmes to meet and identify needs;
- assist the supervisor on annual budget preparation process to ensure that each community's need is reflected in the budget;
- advocate on behalf of the community for necessary resources to assist in the various projects, programmes, and/or activities to be undertaken;
- develop and maintain a community resource manual to assist in the effective carrying out of duties;
- refer persons in need to the appropriate agency to ensure that the identified needs or problems are addressed, such as the NAU;
- seek to ensure that programmes, projects, and activities developed addresses the whole

person, inclusive of spiritual, social, and recreational aesthetics, physical and emotional needs;

- participate in such meetings, committees, and training sessions as may be required for the effective conduct of duties as a community development officer;
- participate in the development of evaluation tool to assess the effectiveness of various programmes implemented at the community and national levels;

The qualifications and experience required for the post of CDO are as follows:

- Knowledge:
 - postholder [must] have excellent knowledge of their community, people, resources within the community and the problems experienced by the community;
 - knowledge of the importance of social, cultural, recreational activities and crafts in the development of individuals and communities.
- Skills:
 - good interpersonal skills, communications;
 - good organisational skills;
 - ability to assess group situations;
 - good writing and oral skills.
- Education:
 - sound secondary education;
 - training in community work, counselling would be an asset;
 - equivalent level training, i.e., four-month course in the Principles and Practice of Social Work at the University of the West Indies.
- Experience:
 - life skills, sports, community work, cultural activities, youth group work for a minimum of two years.

That is what I have as the requirements to be a Community Development Officer, Madam Speaker.

The Speaker: If there are no supplementaries . . . Member for East End.

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

Madam Speaker, I wonder where in here, or what part did the Minister leave out about getting involved in politics and utilising the Government resources after they have declared their candidacy?

Hon. Osbourne V. Boddén: Madam Speaker, that was—

The Speaker: Honourable Minister for Community Affairs. Sorry—

Hon. Osbourne V. Bodden: That was not—

The Speaker: — it was a pause. I was trying to figure out if it was a statement of fact or whether it was a question.

Hon. Osbourne V. Bodden: Well, it does not form a part of the job description, Madam Speaker.

[Laughter]

The Speaker: Member for East End.

Mr. V. Arden McLean: Thank you.

Madam Speaker, I wonder if the Minister can tell us if he is aware that the community officer in East End has declared her position to run in the next general election, and how does that affect her job while she is in it?

Hon. Osbourne V. Bodden: Madam Speaker—

The Speaker: Honourable—

Hon. Osbourne V. Bodden: I am not aware of such declaration.

The Speaker: Honourable Minister, you may obviously wish to respond in your own discretion, but the Chair would rule that that is an administrative matter more properly directed to the Deputy Governor.

The Speaker: Member for East End.

Mr. V. Arden McLean: Thank you.

Madam Speaker, I wonder if he will get up and do it. And the Premier asks me who she will run with. I hear she is running with him.

[Laughter]

The Speaker: Let's keep the questions to the Chair and as on the Order Paper.

Honourable Member for East End, please proceed.

Mr. V. Arden McLean: I am wondering if the Deputy Governor would be so mindful to see if he could clarify that, and how does that affect ones job, especially a community worker?

The Speaker: Honourable Deputy Governor, as it is a question without notice, it is entirely in your discretion to so respond.

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

Madam Speaker, we have received a report along the lines of what the Member has said. We have absolutely nothing in writing or anything to corroborate the allegation, but we have brought it to the attention of the civil servant. They have denied any such behaviour. It is totally against the civil service code of conduct for civil servants to use Government resources for any type of personal use, especially if they were to want to engage in politics. That would be a serious—

Hon. W. McKeever Bush, Leader of the Opposition: Oh, oh. Meaning you too, you know. You too [INAUDIBLE].

The Deputy Governor, Hon. Franz I. Manderson: I think he is talking to somebody else.

An Hon. Member: No, I am talking to you.

The Deputy Governor, Hon. Franz I. Manderson: That could never be—

The Speaker: Order!

The Deputy Governor, Hon. Franz I. Manderson: So, Madam Speaker, it is against the civil service code of conduct for civil servants to use Government resources for personal use. If the Member has further information, I would urge him to send it to us in writing so that we can start a proper investigation.

The Speaker: I recognise the Member for Bodden Town, and the Leader of the Opposition, unless the Member for Bodden Town wishes to give way.
Honourable Leader of the Opposition.

Hon. W. McKeever Bush, Leader of the Opposition: Madam Speaker, I would like to, on my part, thank the Deputy Governor for his information. He is talking about resources, but time is a resource. And so you are including time that you must not use the Government's time to go campaign against anybody. Right.

The Speaker: I recognise the Fourth Elected Member for Bodden Town.

Mr. Alva H. Suckoo, Jr.: Madam Speaker, thank you, through you to the Honourable Deputy Governor.

Could he state what would be considered evidence that he would need to pursue an investigation into this? Would it just be a report of someone who was told verbally? Or what would he require?

The Speaker: Again, Honourable Deputy Governor, the response is in your discretion as it is not a question with notice.

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

That is correct. And I just want to reconfirm what the Leader of the Opposition said. It is totally against the civil service code of conduct for a civil servant to campaign for office while they are in our employ, whether that is time, resources, using our car, using our phone, it is totally against the civil service code of conduct. It is something that should never happen.

If there is evidence that a civil servant, while they are in the employ of the Government, is out there campaigning for office, we would need to have evidence, a report from someone who says, *I was approached by this individual. Here is what they told me.* And then we would be duty-bound to investigate that report. Obviously, if we have more than one report, because it would be a he-said-she-said, so if we have evidence that would corroborate what is being alleged, that would be most helpful. But we are committed in the civil service to addressing any type of complaint like this, Madam Speaker.

The Speaker: Member for East End.

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

Madam Speaker, I want everybody to know I'm not afraid about anybody competing against me, but you cannot do it on Government time. I'll take anyone on.

The Speaker: Please turn it into a question.

Mr. V. Arden McLean: But Madam Speaker, then, I would ask the Deputy Governor again, because I know how this is, if all his Ministers and the Members of the political directorate in the Government know of these rules?

The Speaker: Honourable Deputy Governor, the previous question were soliciting you to exercise your discretion. This one is asking you to confirm attendance to Caucus or in the inner circle of politics, so I am not sure you are in a position to answer that, but if you feel that you are, please do.

The Deputy Governor, Hon. Franz I. Manderson: Madam Speaker, I really can't speak for what other people know; no, Madam Speaker.

[Crosstalk]

The Speaker: The Member for East End has a follow up.

Mr. V. Arden McLean: Madam Speaker, all I am asking, he is the head of the civil service and I was merely asking him if he is aware that all the political directorate of the Government would have been given this

kind of, or have knowledge of this kind of rule within the civil service through him or whatever. I would suspect through him, if he has distributed that kind of policy to all of them so that they would be knowledgeable of the same.

The Speaker: Honourable Deputy Governor, this is obviously still in your discretion, but obviously you would almost have to be prophetic as to the *modus operandi* of your political arm of Government, which is not within your *locus standi* but—

The Deputy Governor, Hon. Franz I. Manderson: Madam Speaker, I agree. I really can't answer the question. I can't say what other people know.

Mr. V. Arden McLean: I'm saying if you have notified them, given it to them to make them know.

The Deputy Governor, Hon. Franz I. Manderson: Madam Speaker, I have not done so, and I have no reason to give that type of specific information to Ministers or Members.

The Speaker: Honourable Leader of the Opposition.

[Inaudible interjections]

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

The Speaker: Order! Order!

Hon. W. McKeeva Bush, Leader of the Opposition: The Deputy Governor has said that it is against the civil service firm and steadfast rules for a civil servant to campaign as a candidate. And I think that has been a long-time rule as to campaign; but it is against the rule also to campaign for or against a candidate.

The Speaker: Honourable Deputy Governor.

The Deputy Governor, Hon. Franz I. Manderson: Madam Speaker, that is correct. Civil servants are supposed to be politically neutral and they are not supposed to campaign or favour any party or any particular Member of Parliament. They are supposed to be politically neutral at all times.

The Speaker: Madam Clerk, next question.

QUESTION NO. 37—ELECTORAL BOUNDARIES COMMISSION, IMPLEMENTATION

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

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

Madam Speaker, I beg to ask the Honourable Deputy Governor, ex officio Member responsible for the Portfolio of the Civil Service the following question standing in my name: Can the Honourable Deputy Governor, ex officio Member, say when the Elections Office will be staffed and the implementation of the Electoral Boundaries Commission commence?

The Speaker: I recognise the Honourable Deputy Governor.

The Deputy Governor, Hon. Franz I. Manderson: Madam Speaker, thank you, the answer: Madam Speaker, the Elections Office is actively working the implementation of the 19-single member electoral districts as part of the preparation for the 2017 General Elections.

In addition to the Supervisor of Election, three deputy supervisors, six registering officers, and two members of office staff, and another nine persons are engaged in the preparations and implementation.

Three staff members are engaged on a part-time basis two ready the election's logistical supplies, ballot boxes, voting booths, signage, et cetera, and list of supplies and materials and to provide logistical support for registration drives. One staff member is engaged on a part-time basis to complete a street address audit of the official register of electors against Lands and Survey's street addressing database, and to refer any anomalies to the registering officers for investigation.

One staff member has been engaged on a part-time basis to ready the assignment material needed for conducting the polling and counting, such as poll books and other polling and counting materials. One employee is engaged on a part-time basis to manage and update the IT system within the office to specify and secure pricing of equipment and services needed for the general elections in the new financial year, July 2016.

In March of 2016, an IT consultant was engaged to upgrade and update the Elections registry database system to make it compatible with the 19-single member electoral districts.

As of April 5, a well-experienced staff member who has served as a returning officer in many prior elections was employed by the Elections Office to prepare training materials for new and experienced returning officers. Training for returning officers will be conducted in May of 2016 and refresher training will be provided in March and April of 2017. Also, on April 5, another staff member was employed to update training plans and training manuals for election staff and candidates.

The Government Information Services has been engaged in the planning and execution of marketing and media relations since January 2016. Work in progress includes voter education and registration using social media and traditional media. Social media

advertising began in February on Facebook, Twitter, and Instagram. Public service announcements also began in February. A public relations campaign will increase in May 2016 and a full media programme will be rolled out in July with the new budget.

Planning is ongoing on a door-to-door registration verification of registering new voters, updating, and a single member electoral process fact sheet distribution exercise. This drive will see teams of Election Office workers trained and dispatched throughout each electoral district. Door-to-door visits are planned to be executed during July to September timeframe.

Voter registration and change of name, address, and occupations have increased; therefore, the six registering officers have increased their efforts to process these applications, and have also increased their scrutiny of their register of electors.

Madam Speaker, there was a part two, the implementation of Electoral Boundaries Commission, when will that commence? Legislative changes are necessary to fully implement Electoral Boundaries Commission report. The first part of that has already commenced through the 19-single member electoral district order. The remainder is through amendments to the Election Law. And, Madam Speaker, these changes are currently with the Legal Drafting Department.

Thank you.

The Speaker: I recognise the Honourable Leader of the Opposition and then, the Member for East End.

SUPPLEMENTARIES

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

Madam Speaker, in point three on page 2, the Deputy Governor is talking about the voter education and registration. He says, ". . . using social media and traditional media." I take that to mean use of newspapers, radio, television; traditional. I would hope that this is going to be community also, Madam Speaker, community education in the communities themselves. He can confirm that, but I would hope that is so.

Madam Speaker, part B of the question would be: I do believe they have a very capable person in charge. Has any thought been given to visit, talk to, or look at the Bermuda arrangement? Bermuda's latest one that went into single member constituencies from a multiple constituency base that I know about in our region, or connected with us. I am wondering whether any thought has been given to look at them and visit with them and see how they transferred from one to the next.

The Speaker: Honourable Deputy Governor.

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

Madam Speaker, I confirm what the Leader of the Opposition said in terms of traditional media. That is radio, television, newspapers, and I also mentioned it. And I agree with him in terms of the community education and that will be done during the door-to-door visits.

I am not aware whether we have sought advice from the Bermuda Elections Office, but I will certainly pass it on to the supervisor of elections. I thank the Leader of the Opposition for that recommendation.

The Speaker: Member for East End.

Mr. V. Arden McLean: Madam Speaker, what I am seeing here, there are about 20 people who are currently engaged: the supervisors and three deputies (that is four); six registering officers (that is 10); and two members of office staff (that is 12); and another nine persons (that is 21). Are we to believe . . . or is it that all these people are working out of the Elections Office?

The Speaker: Honourable Deputy Governor.

The Deputy Governor, Hon. Franz I. Manderson: Madam Speaker, in my answer I made it clear that most of these people are engaged part-time. We don't actually need them to be fully employed right now.

The registering officers have never worked in the Elections Office full-time. They are in their relevant districts doing work there and then they go to the office from time to time update their database. But, yes, we have engaged these persons. They are working in and out of the office on Smith Road, but yes, I don't believe they are in there full-time, every day.

The Speaker: Member for East End.

Mr. V. Arden McLean: Madam Speaker, there is no way I could have thought that they were in there full-time. You said they were part-time, so they can't be full-time if they are part-time, some of them. I am asking if they are working in and out of that office. Madam Speaker, there are only two members of office staff that I would consider permanent. How much time then is that office occupied, other than by the permanent staff?

The Speaker: Honourable Deputy Governor.

The Deputy Governor, Hon. Franz I. Manderson: Madam Speaker, I don't have the work schedules for those persons. I am happy to make a note of that question and supply it, but I don't have the work schedules for those persons.

The Speaker: Member for East End, you have a follow up?

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

Madam Speaker, can the Deputy Governor tell us why there are only six (6) registering officers?

The Speaker: Honourable Deputy Governor.

The Deputy Governor, Hon. Franz I. Manderson: Madam Speaker, there have always been six registering officers. They have been covering all of the districts. One of the matters obviously now that the supervisor will have to look into is whether he needs to have 19, given that there are now 19-single member constituencies. That is something that I think he would have to take into account, but that is a matter for him and I can obviously pass that matter on to him, if need be.

The Speaker: Member for East End, and then the Leader of the Opposition.

Mr. V. Arden McLean: It is a matter for the supervisor? Each constituency must have a registering officer. Madam Speaker, the fact that we have now 19 constituencies, we had six constituencies before, and the law calls for a registering officer per constituency. Why haven't we identified 19 people who can become comfortable with these constituencies and appoint them from now?

The Speaker: Honourable Deputy Governor.

The Deputy Governor, Hon. Franz I. Manderson: Madam Speaker, I will certainly pass that on to the Supervisor of Elections. He may have already dealt with it. I will have to find out, Madam Speaker.

The Speaker: Honourable Leader of the Opposition.

Hon. W. McKeever Bush, Leader of the Opposition: Thank you. Madam Speaker, in the press reports it is reported that the Deputy Governor or the Governor, one of the two of them, have said that if there is an early election it will be run on the one man, one vote system. Can the Deputy Governor explain how he would do that?

The Speaker: Honourable Deputy Governor.

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

Madam Speaker, obviously, if the Government called early elections, then everything that we have said here would have to be moved forward with post haste in terms of the most urgent matter which would then be to get the changes to the Elections Law done. The good news is they have been basically finalised and I expect them to come to Cabinet shortly.

So, Madam Speaker, to summarise my response, if an early election was called we would have

to move forward all of these plans. The Supervisor of Elections, as the Leader of the Opposition said, is a very, very capable individual. He has three really sound deputies. He is now getting expertise from persons who have done it before so that he is totally up to speed, and I am confident that if an early election was called, he would be able to accelerate all of these plans that he has put forward and deliver a free and fair election to all of us.

The Speaker: Honourable Leader of the Opposition.

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

Madam Speaker, from what the Deputy Governor has said, there is a tremendous amount of work to be done. We are dealing with a franchise. It is not unlikely that there could be, because there have been no solid answers that there will not be an early election. If something happens between now and September, October, November . . . August; I don't see how you can be ready with all that you have said that has to be done, and all the training that has to be done, and all the voter education that must be done because those are the people affected. Candidates will be affected, but the franchise is what will be affected. That's my concern.

The Speaker: Honourable Deputy Governor.

[Inaudible interjections]

The Speaker: It seems to me that he was soliciting whether there was room for concern, which is an opinion.

The Deputy Governor, Hon. Franz I. Manderson: Madam Speaker, if we do have an early election, I would believe that the date that would be called would be a date that would incorporate all of the issues that we have here. Obviously, we are not going to call a date for tomorrow. But, Madam Speaker, I will go back to my original point. We have a capable team in place and I am confident in their abilities to deliver free and fair elections when and if it is called, an early election.

Hon. W. McKeeva Bush, Leader of the Opposition: You wouldn't get it tomorrow, but you would get it after the budget.

The Speaker: Member for East End.

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

Madam Speaker, the Deputy Governor is saying that "if an early election is called"—the Constitution dictates how long it takes for the election to be called. At the dissolution of this Legislative Assembly, it must be called within two months. To call an early

election, you're going to dissolve the Legislative Assembly. Is he planning on doing it some other way?

The Speaker: Honourable Deputy Governor.

The Deputy Governor, Hon. Franz I. Manderson: Madam Speaker, I said that a date would be set. A date will be set. I don't know what else to say, Ma'am.

Mr. V. Arden McLean: Madam Speaker—

The Speaker: Member for East End.

Mr. V. Arden McLean: I need to know from the Deputy Governor: What does he mean "a date will be set"? Are we planning now to set a date for an election because the date has already been set for a general election? Only the day needs to be pronounced. You cannot set a date for a general election unless you prorogue, you dissolve this Legislature.

Hon. W. McKeeva Bush, Leader of the Opposition: Tell him it will be after the budget—

The Speaker: Honourable Deputy Governor.

The Deputy Governor, Hon. Franz I. Manderson: Madam Speaker, I stand by what I said. We are talking about things that may never happen. We are prepared. I have confidence in the team that is there. Whatever happens, we will be ready, Madam Speaker. That is the job of this Elections Office and that is the job—

Mr. V. Arden McLean: Mr. AG, you stop shaking your head because you are advising him incorrectly; and Alden too.

[Inaudible interjections]

Mr. V. Arden McLean: You can't set a date from now for an early election.

[Inaudible interjections]

The Speaker: Honourable Deputy Governor, I take it that you are relying on Standing Order 23(4)—

Mr. V. Arden McLean: If something happens that causes a general election you have to dissolve the Legislature.

The Speaker: If there are no further supplementaries, it is an appropriate time for the luncheon break.

[Crosstalk]

The Speaker: We will reconvene at 2:30.

[Crosstalk]

Proceedings suspended at 1:18 pm

Proceedings resumed at 2:47 pm

The Speaker: Please be seated.
Madam Clerk.

The Clerk: The Honourable Leader of the Opposition,
First Elected—

Mr. D. Ezzard Miller: Madam Speaker.

The Speaker: I recognise the Member for North Side.

Mr. D. Ezzard Miller: Madam Speaker, I bring to your attention that the House is not quorate and according to Standing Order 13.

The Speaker: It looks like we need another Standing Order, because now I need to summon the Serjeant too.

Mr. D. Ezzard Miller: They must respect you when you tell us we must be back at a certain time. They must be in here, including the Serjeant!

Hon. W. McKeeva Bush, Leader of the Opposition: [counting] Two, four, seven, nine . . . need one more still.

[Inaudible interjections]

The Speaker: Honourable Members, Standing Order 13(2) has been brought to my attention. I have requested the Serjeant to get a quorum. If in five minutes' time there is not a quorum, we will carry out Standing Order 13(2).

[Inaudible interjections]

The Speaker: The House is now quorate.

QUESTIONS TO HONOURABLE MINISTERS AND MEMBERS OF CABINET

[Continuation thereof]

QUESTION NO. 38—CONDITIONAL RELEASE BOARD

The Speaker: I recognise the Honourable Leader of the Opposition, First Elected Member for the district of West Bay.

Hon. W. McKeeva Bush, Leader of the Opposition: Thank you, Madam Speaker. Question 38 is asked of the Honourable Deputy Governor, ex officio Member responsible for the Civil Service: Can the Honourable Deputy Governor, ex officio Member say—

(a) What process was used for the appointment of the Conditional Release Board?

(b) Is the Chairman appointed according to Law – a retired Magistrate or a Lawyer not practicing Criminal Law?

(c) Was any consultation done with the old Board in regards to the appointment of the new Board?

The Speaker: Honourable Deputy Governor.

The Deputy Governor, Hon. Franz I. Manderson: Madam Speaker, thank you.

Madam Speaker, for the benefit of Members I would like to explain very quickly the difference between the old parole system and the new conditional release regime.

This new arrangement is underpinned by its own law and regulations and in the future the new Board will make decisions on parole release, licence conditions and revocation of licences. Previously under the old regime the Parole Board had no decision making authority they would make recommendations to the Governor who had sole discretion in the decisions she made.

The law also provides for an increase in the amount of time prisoners spend in prison before they are eligible for release. Now all prisoners have to serve 60 per cent of their sentence as opposed to one third or 50 per cent. All prisoners that are sentenced to over one year, if released, they will be subject to the conditions of a licence that extends to the end of the sentence.

Madam Speaker, just to give a little bit of background on the law so that I can fully answer the questions, I would like to inform this honourable House on what the law says with regards to the appointment of the Conditional Release Board.

The law specifies that the appointment of the Conditional Release Board is the responsibility of the Governor. Each member is appointed for a three year period.

Section 4(2) of the Conditional Release Law reads that **“the Board shall consist of a minimum of five members and a maximum of nine members, none of whom shall be civil servants, appointed by the Governor comprising at least two of the following -**

(a) a retired judge other than a public servant;

(b) a retired magistrate other than a public servant; or

(c) an attorney-at-law other than a public servant,

and such of the following as the Governor considers appropriate -

- (d) a person with experience in criminal justice;
- (e) a mental health professional;
- (f) a minister of religion; and
- (g) a person or persons other than a person referred to in paragraphs (a), (b), (c), (d), (e) or (f)."

It continues in 2(3) that- "**The Governor shall designate two of the persons referred to in paragraph (a), (b) or (c) as Chairperson and Vice Chairperson respectively.**" That is a retired judge or magistrate or attorney at law.

However, the Law (and this is important, Madam Speaker) has a clause which allows the Governor to waive the legal requirement to appoint the chairman and vice chairman if no suitable person can be found and I quote:

And I quote 4(12) states: "**The Governor shall make his best efforts to ensure that he appoints persons who meet the requirements in subsection (2)(a), (b) and (c) but where he is not able to find suitable persons for any or all those positions, he may appoint for any or all those positions any other person who does not meet the legal aspect of those requirements.**"

So, Madam Speaker, with that background, to answer the first part of the question: "What process was used for the appointment of the Conditional Release Board?" The Governor decided to adopt an open recruitment process and advertised for members of the Board in November 2015 in the local newspaper. Twenty-four (24) persons responded within the set timeline.

The Governor shortlisted 13 persons who then went through a formal interview process in December 2015, of which 9 were appointed and gazetted following the commencement of the new law and regulations on the 15th February 2016. The new board members were trained by experts from the United Kingdom whose visit was funded by the Office of the Governor.

The Board membership has increased under the new law because the workload will increase as more prisoners apply for parole. They will now meet monthly as opposed to quarterly.

I will now address the second part of the question: "Is the Chairman appointed according to Law - a retired Magistrate or Lawyer not practising Criminal Law?" I confirm that all of the appointments, including the appointment of the Chairman, were made according to the law and on advice sought of the Attorney General.

The appointed Chairman is a retired lay magistrate who sat in Juvenile Court for seven years and was previously President of the Justice of the Peace Association. However, I would like to reemphasise, that under Section 4 (12), the Governor has the flexi-

bility to appoint any person she wishes to be Chairman or Vice Chairman, regardless of whether they are an attorney, a retired judge or magistrate.

I will now address the third part of the question, "Was any consultation done with the old Board in regards to the appointment of the new Board?" Madam Speaker, the Chairman of the outgoing Parole Board, was on the committee that drafted the new Conditional Release Law and Regulations which specified the type of competencies required and who should make the appointments. She was chosen to assist because of her vast experience and expertise in parole and I would like to thank her for her valuable contribution to the process.

It is also worth noting that all of the previous members were invited to reapply to be members of the new board, but no one did so. With that being said, I would like to thank Marilyn Connolly, a former board member, for her assistance in training the new board members.

In summary, while the previous Board was consulted on the drafting of the new Law, there was no specific consultation with them on the appointment of new members.

Madam Speaker, I would like to take this opportunity to thank the members of the previous Parole Board for their sterling work in the past and thank the new board for volunteering their time, energy and expertise going forward. The new Conditional Release regime is an important development of our criminal justice system.

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

QUESTION NO. 39—BODDEN TOWN LICENSING FACILITY

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

Hon. W. McKeever Bush, Leader of the Opposition: Thank you, Madam Speaker. Question 39, standing in my name is asked of the Honourable Minister of Planning, Lands, Agriculture, Housing and Infrastructure: Can the Honourable Minister say-

- (a) What is the total agreement for the Bodden Town Licensing Facility?
- (b) Who owns the property?
- (c) Who built the building?
- (d) What is the Government's total responsibility for the project?
- (e) Is there an agreement for Government to rent the building? If so, for how long?
- (f) What is the process used to determine the best developer and least cost to the Government?

The Speaker: Honourable Minister responsible for Planning.

Hon. D. Kurt Tibbetts: Madam Speaker, thank you. Rather than answer each individually, I will answer all of them in a single response as follows:

The Government intends shortly to sign a lease to enable the Department of Vehicle & Drivers' Licensing to occupy newly constructed premises at Block 52C Parcel 87, which is located on Bodden Town Road in Breakers. This Parcel is registered to George and Licci Powell, and I understand that Mr. Powell commissioned construction of the building.

The contractor was Mr. Gary Ebanks whose company is Reliable Roofers. The building is for mixed use and comprises four units totalling 7,000 square feet, with a vehicle inspection facility and pit attached on the western side. The Department will occupy one of the four units and the vehicle inspection facility.

I understand the building was granted a Certificate of Fitness for Occupancy on 8th April 2016.

Madam Speaker, Cabinet has agreed terms for a 5-year lease from Mr. Powell's company, the South Coast Company Limited, with the Tenant (that is, the Government) having the benefit of three 5-year options to renew.

The unit comprises an office of 1,120 sq ft and a vehicle inspection facility of 1,217 sq ft. There are five dedicated parking spaces. The annual rent for the initial 5-year term is CI\$31,406.00 per annum, plus a modest service charge of CI\$84.00 per month, plus share of generator fuel used, whenever it is used.

Over the initial 5-year contractual commitment, this represents a total financial liability of CI\$157,030.00 in rent. And, Madam Speaker, let me just say this: during those five years there is no incremental increase. So, the rate it starts off with, it ends with that same rate.

The annual rent breaks down to CI\$15/sq. ft. for the office and CI\$12/sq. ft. for the vehicle inspection facility. The Landlord is responsible for insuring and maintaining the building. The Tenant is responsible for maintaining the interior of the unit and the Tenant's furniture and fittings, and for utilities consumed. Generator backup power will be maintained by the Landlord, who is responsible for shuttering the premises in the event of a storm warning.

The unit has been largely fitted out by the Landlord at his cost, which includes a public counter, air conditioning, lighting, and a painted finish. The Department will need to undertake minor fit-out works such as IT cabling and furnishing at its own cost.

The aforementioned terms were negotiated and recommended by the Chief Valuation Officer, based on the reasonably expected return on the estimated capital investment, and the cost of space elsewhere.

Madam Speaker, having explained the principal terms of the intended lease, and details of what is to be leased, I will give some background to explain how and why this deal came about.

Most Members will be aware that the Government has a longstanding intent to open a satellite vehicle and driver licensing facility to better serve the eastern districts, and to ease customer queues at the George Town office. As far back as 1997, the Government, led by the late Hon. Thomas Jefferson, negotiated with Mr. McClure Bothwell to have the office in Pease Bay opposite the Moon Bay condominiums, but this arrangement did not materialise. Since then, and most recently in 2009 (I believe), several other sites in and around Bodden Town have been considered, but, for a variety of reasons, none of these have proven viable.

Madam Speaker, let me also add, as I remember while I'm reading, that my understanding that the business case for this facility was, I think, done from 2006.

In 2011, Mr. [George Anthony] Powell wrote to you as Minister responsible for Lands (which at the time I think was your good self, Madam Speaker) at that time, advising that he wished to develop a plaza in Breakers and offering to lease a unit to the Government for Vehicle & Drivers' Licensing purposes; this to include an inspection pit for heavy wagons and plant.

I understand, Madam Speaker, that the then Minister, met with the Department's management, and while all parties agreed that the project was necessary and beneficial, I am led to believe the Government was not, unfortunately, in a position at that time to fund the lease. In 2013, Mr. Powell wrote to the Ministry about developing commercial premises in Breakers, and again offering to lease a unit to the Government for Vehicle & Drivers' Licensing purposes.

When considering a government department's property accommodation requirements, both at lease renewal and when there is a new requirement, the Department of Lands & Survey will undertake a search of available alternatives. These options will be reviewed in consultation with the entity that will occupy; in this instance, that being DVDL. Taking into consideration value for money, the department will then report on the alternatives when making a recommendation to the Ministry.

Given that there was no other suitable accommodation in the area for such a facility, and that it is being secured by way of a short-term lease arrangement, a Request for Proposal (RFP) was not deemed necessary. In addition, as I have already made clear, the Lands & Survey Dept negotiated on the Department's behalf, and the rent cost is supported by the Chief Valuation Officer. This has ensured there is value for money.

Madam Speaker, I am pleased to say that, finally, under this Government we are on the verge of

signing the lease and opening this long-awaited and much-needed facility for the benefit of the motoring public.

SUPPLEMENTARIES

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

Hon. W. McKeeva Bush, Leader of the Opposition: Madam Speaker, let me also just say that I am pleased that there is a facility, finally.

Madam Speaker, I believe that the Minister might have tried to give reasons for what I am about to ask, but I would like to hear it translated differently. Let's see.

Was there any tendering done on this matter?

The Speaker: Honourable Minister of Planning.

Hon. D. Kurt Tibbetts: Madam Speaker, I want to make sure that I understand what the Member means by "tendering." If the Member means, by "tendering" if an RFP was sent out, open, asking anyone to create such a facility, no, that was not done, if that's what the Member is asking.

Hon. W. McKeeva Bush, Leader of the Opposition: That's what I'm asking.

Hon. D. Kurt Tibbetts: Right.

No, that was not done. And the reason, as I have said in here, is that when it comes to leases . . . Madam Speaker, while in discussing, I hear what the Member for West Bay, the Leader of the Opposition, is asking, but let us just think about it practically, Madam Speaker.

First of all, if we were to do RFPs for every lease that the Government had to engage in, no matter what the circumstances, Madam Speaker, it would create . . . forget about the additional cost, which is a major factor, but you would never get a lease done. I say that not quite tongue-in-cheek, but meaning the length of time that the whole process would take. So, what I will say is, the fact that the Member is now asking the question, even though the advice that I received based on procurement procedures and all, and the way that the Lands & Survey Department operates with leases, that it wasn't necessary, I would have done it. But the advice that I was given was that these circumstances do not require it. Hence, we are where we are, and the fact of the matter is that my main objective has always been, as has been DVDL's who has been pressing for this from the time we took office, is to get a facility for the eastern districts because . . . and I'm not saying this for any other reason, except that it is factual.

The main office on Crewe Road, near the Lions Centre, opposite, near to the church, is very

crowded at present. The West Bay facility, I think the Leader of the Opposition will know that the landlord has been a very good landlord. The rent has not been raised. We renewed the lease very recently. And that is more than crowded. On a Saturday they turned people away, I am told. So, the whole idea is this facility also has a longer inspection pit than the main office does, so it can accommodate just about anything with regard to heavy equipment and we want to see how that will operate for a couple of months because in the West Bay area we may well have to be seeking another facility. But we want to see how the equation will be balanced out whether . . . because people go to West Bay on a Saturday from all districts, as far as East End, I am told.

So, with this other facility opened, we want to see it that will (shall I say) equalise the volume in all three places. And then, we will have to take it from there. But that is where we are at, Madam Speaker.

The Speaker: Honourable Leader of the Opposition.

Hon. W. McKeeva Bush, Leader of the Opposition: Madam Speaker, I thank the Minister for extrapolating all that he said. But, I don't know about this leasing. But mind you, things change, policies change, and civil service who gave people hell for doing so before will probably turn around and not give one Government one and another Government different.

Anyway, Madam Speaker, I am asking the question because here we have, not one year's rent, but a 5-year lease at—

[Inaudible interjection]

Hon. W. McKeeva Bush, Leader of the Opposition: Renewable each time.

Well, I don't know that either. You're saying that. But here you have, Madam Speaker, according to this answer, three 5-year options to renew. And that amounts to well, a hundred and something thousand dollars. Am I right?

Hon. D. Kurt Tibbetts: Five years.

Hon. W. McKeeva Bush, Leader of the Opposition: Mm-hmm.

Hon. D. Kurt Tibbetts: Thirty-one thousand dollars a year.

Hon. W. McKeeva Bush, Leader of the Opposition: And at five years, and you got three 5-year . . . 15 years? I want to be clear.

Hon. D. Kurt Tibbetts: Option.

Hon. W. McKeeva Bush, Leader of the Opposition: So it's a 15-year option?

Hon. D. Kurt Tibbetts: Yes.

Hon. W. McKeeva Bush, Leader of the Opposition: Yes, total. And in the 5-year period is it 570 . . . I am trying to be clear here.

[Inaudible interjection]

Hon. W. McKeeva Bush, Leader of the Opposition: Yes, yes, I am expecting you to answer. And is it 157 or 150-odd thousand dollars for the three years? Am I right? For five years? Three 5-years bring it to 500 plus thousand dollars. Am I right? In total I'm talking about.

He can extrapolate that too.

And then, you have five parking spaces for the entire Bodden Town, East End, North Side. And that's why I'm talking about value for money. There are five dedicated parking spaces. You can explain that as well.

Madam Speaker, I think that will do for that one question. I just clear up—

The Speaker: Honourable Minister for [Planning].

Hon. D. Kurt Tibbetts: Madam Speaker, when Lands & Survey Department are negotiating any lease, attached to any lease that they negotiate, they will certainly look for an option for the Government to renew. But that is by no means a binding contract, and neither does it mean that the Government will renew. In this instance, it was deemed, in consultation with the department, that five years was a good term; that is a time period to rent or to lease the premises. Because, by the time those five years are up, everybody will know what's what. And if there is another arrangement which will need to be made, then the Government will have opportunity to do so. If, at the end of five years, everything is satisfactory, and the Government wishes to continue the use of the place, that option is already in place. All it is, it is an option.

So, the expenditure level that the Government has committed to is five years at \$31,000 a year. The other remaining time periods are simply options. And at this point in time, none of us really know whether that option will be taken up or whether the Government will decide not to renew the lease. But it is best to have that option so that it is not something that you want to and then the landlord has already made another arrangement.

The Speaker: Honourable Leader of the Opposition.

Hon. W. McKeeva Bush, Leader of the Opposition: Madam Speaker, supplementary questions are: a) were agreements made before building construction started? And what was done, b) to find out if there were any other suitable properties, land, buildings?

The Speaker: Honourable Minister of [Planning].

Hon. D. Kurt Tibbetts: Madam Speaker, certainly the Lands & Survey Department was in discussions with the developer. And, as the answer has given, we haven't signed a lease yet, but the Lands & Survey Department were in . . . I want to start off to say discussions, first of all, then, it evolved into negotiations once construction was started. And the business about other property, because there was a specific request from the DVDL for the inspection pit, the bay, and for it to be a certain length, the search which was fairly obvious, but the search proved there was nowhere else that was suitable because there is nowhere else that has a facility as the one that has been created with the pit. The idea being that the majority of the quarries are up that way. And instead of those who work at the department having to visit these various quarries to do ad hoc inspections of the heavy equipment (because that's just what it is . . . and a lot of it is guesswork because you can't actually do a proper inspection of the equipment), this would solve that problem. And they deemed that very important. Hence, it moved into where we are now which Cabinet has approved. No lease could be signed until a CO was given, and now we will move into the Lands & Survey Department dealing with the lease.

The Speaker: Honourable Leader of the Opposition.

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

Can the Minister say whether there was an agreement with the developer before he began? In other words, he had to have financing and so on? He had to have some sort of agreement from Government to be able to go forward. That's what I am trying to ascertain.

The Speaker: Honourable Minister of Planning.

Hon. D. Kurt Tibbetts: Madam Speaker, after all of the discussions took place . . . I don't want to answer the Member incorrectly. I don't know if there was anything in writing. But I am certain there would have been verbal agreement. I can find out about the business in writing. I don't want to say one way or the other and not know.

The Speaker: Honourable Leader of the Opposition.

Hon. W. McKeeva Bush, Leader of the Opposition: Madam Speaker, I hear the Minister saying that he can't.

Hon. D. Kurt Tibbetts: I can find out for you.

Hon. W. McKeeva Bush, Leader of the Opposition: But the Minister ought to know, because this is a pro-

ject of . . . this is not \$10. It's a sizeable project, one that Government, I think, stood behind to get it. And that's why I'm questioning. Otherwise I wouldn't be questioning it. I'm not questioning, Madam Speaker, to be absolutely clear, the need for it; I'm questioning the process used.

Madam Speaker, I would certainly like to know, because Finance Committee is coming and civil servants have been put on the spot down here when it comes to agreements. So, I would like to know what the process was.

Hon. D. Kurt Tibbetts: I will have to find it out for you.

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

Why wasn't the property, Madam Speaker, in the Lookout area of Bodden Town, which was prepared, funds spent for such a project by Government, used for this project?

[Inaudible interjection]

Hon. W. McKeeva Bush, Leader of the Opposition: Yes, the one that was supposed to have the emergency centre area.

The Speaker: Minister responsible for Planning.

Hon. D. Kurt Tibbetts: Madam Speaker, unless my memory fails me terribly, the area that the Leader of the Opposition is talking about in Lookout was not for this purpose at all; that was for emergency services and it was supposed to be a combination with the fire station, ambulance and also a response—

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

Hon. D. Kurt Tibbetts: Yes, Hazard management and a response. It never had anything to do with this facility.

Where this was thought about was by . . . I'm telling you where this was thought about was by the Bodden Town Civic Centre.

The Speaker: I will allow one more supplementary.
Honourable Leader of the Opposition.

Hon. W. McKeeva Bush, Leader of the Opposition: Madam Speaker, I may get more information from the side talk than I might get from a direct answer but I will go ahead.

Madam Speaker—

[Inaudible interjection]

Hon. W. McKeeva Bush, Leader of the Opposition: I told you, you would get some information before . . . rather than directly.

Madam Speaker, I am asking the Minister if the search and if the project components and all the work that is done for a project had been done as he says, why couldn't this have been identified? It's a huge piece of land.

[Inaudible interjection]

Hon. W. McKeeva Bush, Leader of the Opposition: The piece of land we just talked about, yes.

And that is there, filled by Government, it's there. I am asking why that couldn't have been used.

The Speaker: Honourable Minister of Planning.

Hon. D. Kurt Tibbetts: Madam Speaker, if the Member is suggesting that the Government should have considered building their own facility on that property, which I . . . is that what . . .

Hon. W. McKeeva Bush, Leader of the Opposition: No, I never said that, but go ahead.

Hon. D. Kurt Tibbetts: But the Member has asked why the Government hasn't considered using the property for this facility that was already all filled. So that could only mean to me that that means Government building their own facility, unless . . . well, unless he can clarify.

Hon. W. McKeeva Bush, Leader of the Opposition: Madam Speaker, in this day and age—

The Speaker: Honourable Leader of the Opposition.

Hon. W. McKeeva Bush, Leader of the Opposition:—when we talk about good governance and finding value for money and being innovative, then, Government has a piece of land, advertise it and see who is the best developer and the process is used. They have a Government piece of land; it will come cheaper to Government because Government already has the land.

Madam Speaker, I'll stop there. I have no more time or effort to put into this, except I would hope that the Minister can find out about that agreement.

Hon. D. Kurt Tibbetts: Honourable Minister.

Hon. D. Kurt Tibbetts: Madam Speaker, as I said, I will. And I will advise. I certainly will. But when the Member speaks about innovation and such the like, Madam Speaker, that property that is owned by the Government, that property in my mind is still earmarked for the same purpose that it was originally earmarked for. And I would hope that it would not be

very long from now that this Government, or the next Government, whoever the construct of that Government is, would do their best because that facility that I spoke about which would house (let me say it in lay terms) hazard management, ambulance, fire station and a response unit for the RCIPS, is vitally important for the fastest growing district.

So, I certainly . . . the thought never occurred to me until the Member just said that. I certainly didn't think of that, and I say to him now, that had the suggestion come my way, I would say that that is not suitable for that because that property should still be reserved for what I am talking about to be built, although the funds have not become available to do so yet.

STATEMENTS BY HONOURABLE MEMBERS AND MINISTERS OF THE CABINET

The Speaker: None.

PERSONAL EXPLANATIONS

COMPASS EDITORIAL: COPS VS CRIMES

The Speaker: I have given leave to the Leader of the Opposition to make a personal explanation.

Honourable Leader of the Opposition.

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

In recent times the *Compass* has written Editorials chiding and scolding Members of this honourable House for one reason or another. Firstly, let me say that an Editorial is only an opinion. It is just that; an opinion, not the Bible, nor at times is it even factual. Those times I have found that they are being unreasonable and are not based on facts, I have taken the time to point this out in person to them.

Today, I care to speak to the Editorial in yesterday's *Compass*, Cops - Vs - Crimes. It questions my absence and other Members of this honourable House at the recent annual Commissioner of Police Public Relations Ball. Madam Speaker, I have been in public life a long time. I have been elected eight times to this House, and I had tenure before that in community work. I have formed youth groups; I've been a youth leader in my community in those groups. Mr. Hubbard Crawford, Ms. Gwyneth Murphy [PHONETIC] and I, revived scouting in our community when it was dead. I was one of their leaders.

I am a Baden-Powell Fellow. I have been a chorister for years, Sunday school teacher for years, I have been an elder of the church for years (I am not now and haven't been for a long time).

We do everything we can (and when I say "we" I mean, I think Members of this House) to posi-

tively build our community. We do not in any shape or fashion condone criminality!

We do appreciate getting invitations. However, I was never one to believe that myself nor my wife needs to be at every cocktail party or the many annual functions held in these Islands, while they may be all very worthy events.

When I was elected in 1984, my wife and I decided that she would make my house a home and take care of our children and now, grandchildren too. She didn't need to be, nor did she want to be at every public event. Not In my 30-odd years in this honourable House was she or my mother on any public platform, and that's the way we have lived our lives. She answers our house door when people present themselves at my home, no matter where they come from. The *Compass* questions and asks us to explain why we were not at that function. And they took the time to name every one of us in this House that was not at that function.

Madam Speaker, simply, I didn't get an invitation and didn't know about it until the very day. A nice lady text messaged me to ask if I was coming and I said, *I did not get an invitation*. And I should say I didn't get one after 2012. I explained to her I was off Island at the time with my wife. I was then in Miami for her doctor's appointment. However, that event took place a week after I laid my mother to rest, and I would not have attended that night's function at that time.

I do take umbrage to the *Compass*' questions why me or others were not in attendance. I take umbrage to their insinuations. Madam Speaker, not because we question the management of the Commissioner of Police of the force, is that, giving uplifting to criminals. Its utter rubbish to even think that way! And not because they publish a paper five days a week and have the ability to be in the public's eye for that time, must they play the games I'm seeing coming from them.

The *Compass* knows better and they are downright disrespectful and insulting to our reputation, our upbringing and question our duty to uphold, Law and Order. Because we carry out that awesome responsibility, our attendance or non-attendance makes no difference to the good efforts we make as law makers and representatives of the people in our community.

Madam Speaker my administration budgeted over \$142 million dollars, plus more, from 2009 to 2013 to fight crime. I was threatened during 2009 to 2012 and had to have personal security. It didn't stop me from carrying out my duty. I have put myself on the line in my own district to deal with matters of criminality affecting my people. Every time, since I've been in this Assembly, I have personally welcomed any new Commissioner of Police. I have taken opportunity to brief them on matters of the state of crime and security affecting my own district and the rest of the is-

land that I might have been aware of. And I have personally stood up for this present Commissioner of Police, but I can't be misled.

What is the *Compass* trying to prove, and why is this kind of barrage against Members of this honourable House because we were absent? Do we have to be present at every public event to be of service and to do our duty diligently? Certainly not! I always give praise where praise is due and I congratulate every officer because they serve. But I am wary of those who carry out harassment and have failures in their duties. And I know people who have been victims of that.

So, Madam Speaker, I will say that the *Compass* should stop being so blatantly one-sided on these very important issues, and petty in their assessments of a situation. The Commissioner of Police, Public Relations Ball should not be used as an example to try and chastise MLA's because we seek to get better management for our Police Service.

A country also needs journalist who should understand the present predicament of so much crime and so much non-performance in abating it to an appreciable level and is not so biased.

Madam Speaker, I suspect we are going to be here for several days. If they write one, I am prepared to answer them. I am just fed up with them lambasting us the way are doing, and belittling us in the face of the country. You had no business to go back where you went!

The Speaker: Honourable Leader of the Opposition that concludes your statement.

Madam Clerk.

[Inaudible interjections]

OBITUARY AND OTHER CEREMONIAL SPEECHES

The Speaker: None.

RAISING OF MATTERS OF PRIVILEGES

The Speaker: None.

GOVERNMENT BUSINESS

BILLS

FIRST READINGS

TAX INFORMATION AUTHORITY (AMENDMENT) BILL, 2015.

The Clerk: The Tax Information Authority (Amendment) Bill, 2015.

The Speaker: The Bill is deemed to have been read a first time and is set down for Second Reading.

LIMITED LIABILITY COMPANIES BILL, 2015

The Clerk: The Limited Liability Companies Bill, 2015.

The Speaker: The Bill is deemed to have been read a first time and is set down for Second Reading.

COMPANIES (AMENDMENT) BILL, 2016

The Clerk: The Companies (Amendment) Bill, 2016.

The Speaker: The Bill is deemed to have been read a first time and is set down for Second Reading.

SUNDAY TRADING (AMENDMENT) BILL, 2016

The Clerk: The Sunday Trading (Amendment) Bill, 2016.

The Speaker: The Bill is deemed to have been read a first time and is set down for Second Reading.

SPECIAL ECONOMIC ZONES (AMENDMENT) BILL, 2015

The Clerk: The Special Economic Zones (Amendment) Bill, 2015.

The Speaker: The Bill is deemed to have been read a first time and is set down for Second Reading.

ACCOUNTANTS BILL, 2016

The Clerk: The Accountants Bill, 2016.

The Speaker: The Bill is deemed to have been read a first time and is set down for Second Reading.

HEALTH INSURANCE COMMISSION (AMENDMENT) BILL, 2016

The Clerk: The Health Insurance Commission (Amendment) Bill, 2016.

The Speaker: The Bill is deemed to have been read a first time and is set down for Second Reading.

HEALTH INSURANCE (AMENDMENT) BILL, 2016

The Clerk: The Health Insurance (Amendment) Bill, 2016.

The Speaker: The Bill is deemed to have been read a first time and is set down for Second Reading.

**HEALTH SERVICES AUTHORITY (AMENDMENT)
BILL, 2016**

The Clerk: The Health Services Authority (Amendment) Bill, 2016.

The Speaker: The Bill is deemed to have been read a first time and is set down for Second Reading.

**STANDARDS IN PUBLIC LIFE (AMENDMENT)
BILL, 2016**

The Clerk: The Standards in Public Life (Amendment) Bill, 2016.

The Speaker: The Bill is deemed to have been read a first time and is set down for Second Reading.

**JUDGES' EMOLUMENTS AND ALLOWANCES
(AMENDMENT) BILL, 2016**

The Clerk: The Judges' Emoluments and Allowances (Amendment) Bill, 2016.

The Speaker: The Bill is deemed to have been read a first time and is set down for Second Reading.

JUSTICE PROTECTION (AMENDMENT) BILL, 2016

The Clerk: The Justice Protection (Amendment) Bill, 2016.

The Speaker: The Bill is deemed to have been read a first time and is set down for Second Reading.

ANTI-CORRUPTION (AMENDMENT) BILL, 2016

The Clerk: The Anti-Corruption (Amendment) Bill, 2016.

The Speaker: The Bill is deemed to have been read a first time and is set down for Second Reading.

STATISTICS (AMENDMENT) BILL, 2016

The Clerk: The Statistics (Amendment) Bill, 2016.

The Speaker: The Bill is deemed to have been read a first time and is set down for Second Reading.

INFORMATION AND COMMUNICATIONS TECHNOLOGY AUTHORITY (AMENDMENT) BILL, 2016

The Clerk: The Information and Communications Technology Authority (Amendment) Bill, 2016.

The Speaker: The Bill is deemed to have been read a first time and is set down for Second Reading.

CADET CORPS (AMENDMENT) BILL, 2016

The Clerk: The Cadet Corps (Amendment) Bill, 2015.

The Speaker: The Bill is deemed to have been read a first time and is set down for Second Reading.

NATIONAL PENSIONS (AMENDMENT) BILL, 2016

The Clerk: The National Pensions (Amendment) Bill, 2016.

The Speaker: The Bill is deemed to have been read a first time and is set down for Second Reading.

EDUCATION BILL, 2016

The Clerk: The Education Bill, 2016.

The Speaker: The Bill is deemed to have been read a first time and is set down for Second Reading.

SECOND READING

**TAX INFORMATION AUTHORITY (AMENDMENT)
BILL, 2015**

The Clerk: The Tax Information Authority (Amendment) Bill, 2015.

The Speaker: I recognise the Honourable Minister of Financial Services.

Hon. G. Wayne Panton, Minister of Financial Services, Commerce and Environment: Thank you, Madam Speaker.

I beg to move the Second Reading of a Bill shortly entitled, The Tax Information Authority (Amendment) Bill, 2015.

The Speaker: The Bill has been duly moved. Does the mover wish to speak to it?

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

I am presenting the Bill on behalf of the Government which seeks to amend the Tax Information Authority Law (2014 Revision) to allow the making of regulations for an administrative penalty regime as a part of the implementation by the Cayman Islands of automatic exchange of tax information in accordance with our international obligations.

Madam Speaker, clause 1 of the Bill sets out the short title and commencement provision. Clause 2 amends section 25 of the Tax Information Authority Law (2014 Revision) to permit Cabinet to make regulations to implement an administrative penalty regime and to prescribe that the penalty for a breach of the regulations shall not exceed \$50,000.

As one of the 96 jurisdictions across the globe which are currently in the process of implementing the new global standard of automatic exchange of financial account information for tax purposes, known as the "Common Reporting Standard" or CRS, the Cayman Islands, in common with all other jurisdictions is putting in place the necessary legal and technical provisions to comply with the standard.

In October 2015, regulations were made which implemented under Cayman Islands law the due diligence and reporting rules of CRS. These regulations were made under the Tax Information Authority Law (2014 Revision) which is a principal law under which all of our tax information exchange takes place. This allowed our financial services industry to meet their obligations under the CRS which came into effect on 1st January 2016. The next stage is to ensure that appropriate compliance and enforcement mechanisms are in place as is required by the international standard.

To provide the proper legal basis for the regulations which will provide these compliance and enforcement mechanisms, the Bill seeks to amend the principal Law to provide for the making of regulations to establish an administrative penalty regime, to prescribe the penalty for a breach of the regulations; and for incidental and connected purposes.

In relation to the various stages in the implementation of the CRS, or the Common Reporting Standard, I acknowledge that the work that has been done by the joint working group between my Ministry and the financial services industry, ably chaired by Councillor McTaggart, has been excellent. They have done a fantastic job and this has certainly proved an invaluable and efficient means of obtaining the input of our industry stakeholders, including on the proposals for these measures.

Madam Speaker, with those few words in relation to the description of this Bill, I conclude my presentation and I commend the Tax Information Authority (Amendment) Bill, 2016, to this honourable House for passage.

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

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

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

Just to acknowledge the tacit support of the Members of this honourable House. Thank you.

The Speaker: the question is that a Bill shortly entitled The Tax Information Authority (Amendment) Bill, 2016 be given a Second Reading.

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

AYES.

The Speaker: The Ayes have it.

Agreed: The Tax Information Authority (Amendment) Bill, 2016, given a Second Reading.

SECOND READING

LIMITED LIABILITY COMPANIES BILL, 2015

The Clerk: The Limited Liability Companies Bill, 2015.

The Speaker: I recognise the Honourable Minister responsible for Financial Services.

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

I beg to move the Second Reading of a Bill shortly entitled the Limited Liability Companies Bill, 2015.

The Speaker: The Bill has been duly moved. Does the Minister wish to speak to it?

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

I present the Bill on behalf of the Government for a law to introduce a Cayman Islands Limited Liability Company, or LLC, as a new type of business vehicle in the Cayman Islands.

Madam Speaker, the primary driver for this Bill has been industry demand. The introduction of an LLC by the Cayman Islands has been highly anticipated by our local industry, but also, crucially, by our international service providers, such as US based investment fund promoters and their attorneys in particular. An LLC would be similar in many respects to a Delaware Limited Liability Company. While it is conceptually an entirely new vehicle, its introduction is intended to complement existing Cayman Islands business vehicles.

It will blend key advantages of certain features of a Cayman Islands exempted limited partnership with those of a Cayman Islands exempted company. Most notably, Madam Speaker, an LLC will not be the typical company with liability of shareholders limited by shares or by guarantee, but by reference to members' capital accounts and capital commitments with freedom of contract amongst members determining the internal workings of the company, similar to an exempted limited partnership.

Yet, unlike an exempted limited partnership, an LLC will be a body corporate with separate legal personality and its members will enjoy limited liability. An LLC will therefore be a hybrid between an exempted company and an exempted limited partnership developed to meet the demands of various global client basis that wish to operate a vehicle which offers the

greatly increased flexibility of partnership capital accounting capability, but within a corporate structure, a corporate vehicle, with separate legal personality.

It is anticipated that this hybrid approach will be useful in a variety of investment spaces, such as investment funds, joint ventures and holding vehicles for a variety of assets, for example, including ships, where some investors and service providers find the share capital accounting structure of a company somewhat cumbersome for certain transactions.

Madam Speaker, given the position of the Cayman Islands as a leading jurisdiction for investment fund formation, an LLC would certainly increase the versatility and attractiveness of our financial services products and has certainly created a significant buzz in the marketplace which gives our industry a new product to frame a significant marketing push around.

Madam Speaker, other salient features of an LLC include, that an LLC may be formed for any lawful business purpose or activity and will require at least one member. Registration of an LLC is effected by payment of a fee, and filing a registration statement, i.e., similar to a section 9 statement for an exempted limited partnership and a certificate of formation for US limited liability company; so, a similar sort of process.

Further, Madam Speaker, an LLC may, but is not required to use any one of the following suffixes in its name, that is "Limited Liability Company", "LLC", or "L.L.C.". No other company or entity registered under the Companies Law may use these suffixes in its name unless it is or will be an entity registered under the Companies Law, or it is an existing entity that is currently using one of these suffixes in its name.

So, for example, a Delaware Limited Liability Company which is being registered as a foreign company under the Companies Law to act as a sole general partner of an exempted limited partnership may continue to use the same suffixes.

Importantly, Madam Speaker, with respect to the naming convention, the LLC Bill has been developed to describe an LLC without reference to the word "exempted" to avoid undue criticism from certain groups in the international community who have an anti-Cayman or anti-IFC agenda, who view reference to the word "exempted" with suspicion and depicted as a term which indicates that it is a vehicle which is permitted to operate wholly outside the bounds of law and regulation. The principle is also being considered in the context of changing the description of a regular exempted company, Madam Speaker.

Further, the LLC Bill seeks to take into account existing Cayman Islands Laws and considerations, including, importantly, preserving the rules of equity and common law and addressing minimum statutory duties in the context of members and managers with managers having a duty to act in good faith, the scope of which will be determined by the

Limited Liability Company agreements themselves. So, Madam Speaker, the extensive range of case law which we typically rely on in the context of an ordinary company will be equally applicable in this sort of context.

The LLC Bill also allows for the conversion of exempted companies into LLCs. It allows for mergers and allows for the migration of foreign LLCs into the Cayman Islands. So it effectively reflects the same types of facilities that are available under the existing Companies Law in respect of companies being able to achieve those aims.

Madam Speaker, consistent with international standards, the issuance of bearer LLC interest is expressly prohibited and provision is made for various registers to be maintained and, as appropriate, filed or made available to Cayman authorities. This would include the register of members, register of managers and a register of mortgages and charges, and maintaining books of accounts as well, for at least five years.

Madam Speaker, an LLC will also have the ability to be member managed, or managed by a manager or managers which provides the opportunity for local independent directorship firms to offer independent governance services to LLCs.

In all, Madam Speaker, the introduction of LLCs is certainly a very exciting development for the financial services industry. And I think this will underscore the position and enhance the position of the Cayman Islands as a responsive investment vehicle formation jurisdiction amongst others. Based on my Ministry's interaction with a wide variety of financial services professionals in the Cayman Islands, as well as outside the Cayman Islands, LLC legislation provides an opportunity for Cayman to demonstrate that it continues to be a pacesetter in the international financial centre market, particularly as none of our other main competing jurisdictions have enacted LLC legislation to date.

Certainly, Madam Speaker, we are looking forward to having this legislation enacted prior to any of them having the opportunity to be a first mover in the market. We certainly want to ensure that we have and retain that advantage.

Madam Speaker, the Bill is arranged into 11 parts: Part 1 deals with clauses 1 through 4 and addressed the Short title, Interpretation, Saving of rules of equity, and the Registrar and Register of Limited Liability Company.

Part 2, includes clauses 5 through 9 and contains provisions relating to the formation of an LLC, Name convention, Registered office details, Amendment to registration statement, Capacity and separate legal personality.

Part 3, includes clauses 10 through 15 and addresses Admission of members, Transfer of a limited liability company interest, Right of assignee to become member, Cessation of membership and effect

of bankruptcy or death of a member, Redemption and repurchase of a limited liability company interest, and Withdrawal of member.

Part 4, includes clauses 16 through 19 and outlines the provisions relating to the Limited liability company agreement, Lack of capacity or power; ultra vires, and Classes and voting.

Part 5, includes clauses 20 and 21 and addresses, Liability to third parties and Contributions.

Part 6, includes clauses 22 through 25 and outlines the Allocation of profits and losses, Allocation of distributions, and Limitation on distributions.

Part 7, includes clauses 26 through 34 and addresses the following topics, amongst others, in regard to the management of a LLC, that is: Vesting of management powers, Managers, Classes of managers and voting rights, Remedies for breach of an LLC agreement by manager, Delegation of rights and powers to manage, as well as provisions related to the Resignation of a manager.

Part 8, includes clauses 35 through 41 and contains provisions relating to, Winding up, Voluntary winding up, Winding up by Court, Distribution of assets, Winding up petitions, Removal of defunct limited liability company, and Vesting of property.

Part 9, which is clauses 42 through 44, outlines the Power to compromise with creditors and members, Provisions for facilitating reconstruction and amalgamation of limited liability companies, Power to acquire LLC interests of dissentient members.

Part 10, includes clauses 45 through 56 and outlines the following topics, including Definitions, Merger and consolidation, Rights of dissenters, Continuation of foreign entities, Deregistration of limited liability companies, and Conversion of an exempted company to a limited liability company.

Part 11, includes clauses 57 through 69, and contains provisions dealing with miscellaneous issues such as, but not limited to, Annual returns, Tax undertaking, Register of members, Register of managers, Accounts and Records and Regulations.

Madam Speaker, this concludes my presentation of the Bill. I will indicate that there will be some short committee stage amendments which have been filed and which will be dealt with in committee stage. But let me say at this point that I would like to thank my Ministry staff, the relevant members of the Financial Services Legislative Committee and the Legislative Drafting Department for their tireless efforts with respect to the drafting and preparation of this Bill.

Madam Speaker, it is work which is being two years in the making. As I said earlier, it is very highly anticipated, and I think perhaps as short as five years from now, looking back, this piece of legislation creating this Limited Liability Company, assuming it's passed, will be viewed as a accounting product introduced in the Cayman Islands and I think that we will have benefited and will continue to benefit greatly from it.

Madam Speaker, with those words, I commend the Limited Liability Companies Bill, 2015 to this honourable House for passage. Thank you.

The Speaker: Does any other Member wish to speak?

The Fifth Elected Member for George Town.

Mr. Winston C. Connolly, Jr.: Madam Speaker, I would just like to rise to commend the Government for bringing this important piece of legislation forward. The constituents that I represent from the business community have lobbied for this over the years. And having supported other business-friendly legislation throughout my political career, I am certain that this Bill will make Cayman more competitive and I am happy to rise and support it. Thank you.

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

If not, I will recognise the Honourable Minister of Financial Services if he wishes to respond.

Hon. G. Wayne Panton: Thank you, Madam Speaker, just to thank the Fifth Elected Member for George Town for his support in relation to this. Of course, he's absolutely right. It is a highly anticipated piece of legislation and one which I do agree will be a significant competitive advantage for the Cayman Islands and let me add, Madam Speaker, I'd like to thank all other Members of this honourable House for their tacit support as well. Thank you.

The Speaker: The question is that a Bill shortly entitled the Limited Liability Companies Bill, 2015, be given a second reading.

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

AYES.

The Speaker: The Ayes have it.

Agreed: The Limited Liability Companies Bill, 2015, given a second reading.

SECOND READING

COMPANIES (AMENDMENT) BILL, 2016

The Clerk: The Companies (Amendment) Bill, 2016.

The Speaker: Honourable Minister of Financial Services.

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

I beg to move the Second Reading of a Bill shortly entitled, The Companies (Amendment) Bill, 2016.

The Speaker: The Bill has been duly moved. Does the Minister wish to speak thereto?

Hon. G. Wayne Panton: Thank you, Madam Speaker, just very briefly.

The Bill seeks to amend the Companies Law (2013 Revision) in order to abolish bearer shares in the Cayman Islands.

Madam Speaker, by way of reminder, in accordance with section 2 of the Companies Law, a bearer share is **“a share in the capital of any company incorporated in the Islands which- a) is represented by a certificate that does not record the owner’s name; and b) is transferable by delivery of the certificate.”**

The Financial Action Task Force Recommendations of 2012 note that countries should take measures to prevent the misuse of bearer shares and bearer share warrants. In accordance with Recommendation 24 thereof, the Cayman Islands has, since 2001, operated an immobilisation regime for companies that issue bearer shares. So currently, a company may issue bearer shares to a custodian whose name must be recorded in the register of members of a company. Custodians are either “authorised custodians” regulated by the Cayman Islands Monetary Authority (or CIMA), or “recognised custodians” who are carrying on business in a specified country and who have been approved by CIMA to act as a custodian of bearer shares.

Furthermore, the 2013 Global Peer Review Phase 2 Report for the Cayman Islands, notes that **“in practice, bearer shares may be held by recognised custodians operating outside of the Cayman Islands. In such cases ownership information on those bearer shares may not always be available in the Cayman Islands. Furthermore, enforcement of penalties for non-compliance with these obligations may not be possible for those custodians located outside of the Cayman Islands.”** The report therefore recommends that the Cayman Islands should ensure that information on the owners of bearer shares is made fully available within the Cayman Islands.

Madam Speaker, in addition, a relevant fact is that the UK abolished the issue of bearer shares or use of bearer shares within their Companies Law in 2015.

So, Madam Speaker, certainly after careful reflection and consideration of a policy approach built on significant industry consultation, this Bill seeks to abolish the use of bearer shares altogether in the Cayman Islands and sets out a brief, though precise, manner to effect such abolishment.

Abolishing the use of bearer shares will allow the Cayman Islands to meet the recommendation of its 2013 Global Peer Review Phase 2 Report, as well as Recommendation 24 of the Financial Action Task Force Recommendations of 2012.

And, importantly, Madam Speaker, passage of this Bill will be another clear demonstration of the Cayman Islands adhering to Accepted International Standards and upholding its commitment to promote appropriate corporate transparency, which, Madam Speaker, our beloved Cayman Islands do not get enough credit for in the international press.

Lastly Madam Speaker, in the ever-evolving global battle to combat serious crime, the Government will put forward further proposed legislation in the coming months designed to enhance the already strong regulatory and compliance regime of the Cayman Islands. However, Madam Speaker, it should not be overlooked, that the complete abolishment of bearer shares in the Cayman Islands will be viewed as a very meaningful step in that direction.

Madam Speaker, the Bill is arranged simply in five clauses

Clause 1 sets out the short title.

Clause 2 repeals and substitutes section 166 of the Companies Law (2013 Revision) which relates to shares being non-negotiable or negotiable

Clause 3 repeals section 167 of the Companies Law (2013 Revision) regarding the exchange of negotiable shares.

Clause 4 amends section 168 of the Companies Law (2013 Revision) as it relates to annual returns.

Clause 5 inserts a new section 231A in the Companies Law (2013 Revision) which will prohibit the issue of bearer shares in the Cayman Islands.

Madam Speaker, this concludes my presentation of the proposed Bill which, as I have said, represents a very significant step for the Cayman Islands to demonstrate our commitment to meeting international standards and with that I commend the Companies Law (Amendment) Bill, 2016, to Honourable Members for passage.

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

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

Hon. G. Wayne Panton: Again, I would like to extend my thanks to honourable Members of this House for their tacit support on such an important matter. Thank you.

The Speaker: The question is that a Bill shortly entitled the Companies (Amendment) Bill, 2016, be given a second reading.

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

AYES.

The Speaker: The Ayes have it.

Agreed: The Companies (Amendment) Bill, 2016, given a second reading.

SECOND READING

SUNDAY TRADING (AMENDMENT) BILL, 2016

The Clerk: The Sunday Trading (Amendment) Bill, 2016.

The Speaker: I recognise the Honourable Minister of Financial Services.

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

I beg to move the Second Reading of a Bill shortly entitled, The Sunday Trading (Amendment) Bill, 2016.

The Speaker: The Bill has been duly moved. Does the Minister wish to speak thereto?

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

Madam Speaker, I rise to present the Bill on behalf of the Government which seeks to amend the Sunday Trading Law (2014 Revision), simply to allow for enforcement to be carried out by Trade Officers within the Department of Commerce and Investment.

Madam Speaker, the Sunday Trading Law (2014 Revision) prohibits the operation of certain business types on Sunday, Good Friday, and Christmas Day. Currently, the sole authority for enforcement of the law is the Royal Cayman Islands Police Service.

To facilitate greater enforcement of the Sunday Trading Law (2014 Revision), it is proposed to empower Trade Officers from the Department of Commerce and Investment to provide for enforcement of the provisions of the Sunday Trading Law, in addition to the powers that already reside with the police. Of course, Madam Speaker, the Trade Officers are those who have been empowered with the powers of a police constable under the Trade and Business Licensing Law, so we are simply extending that regime under this Law to ensure proper and consistent enforcement.

Madam Speaker, empowering those Trade Officers will certainly provide for better enforcement of this Law and provide greater capacity and resources to effect that.

In terms of the details of the Bill, which are quite short, notes that:

Clause 1 of the Bill provides the short title and commencement.

Clause 2 amends section 2 by inserting new definitions of “Director” and “trade officer”.

Clause 3 repeals and replaces section 4 and empowers the Director, and trade officers, both of the Department of Commerce and Investment, to enforce the Law. It makes provisions for both to have the same powers, as mentioned earlier, as a constable when discharging their duties under the Law. In addition, clause 3 retains reference to constable, and of course, as I said that means the police will remain empowered similarly to continue to enforce the Law, (as has been the case) and they will therefore all have the power to close a place of business which is not in compliance with the Law.

Madam Speaker, with that short contribution, I conclude my presentation. I therefore commend the Sunday Trading (Amendment) Bill, 2016, to the Honourable Members for passage.

Thank you.

The Speaker: Does any other Member wish to speak?

I recognise the honourable Member for East End.

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

There are a few things that I would ask the Minister to respond to in his winding up. One, there aren't many businesses that this law does not apply to in this country. The only one that I can think of that does not apply here is a large supermarket and someone who is fixing tyres. They are the only ones that I can think of that are not exempt. I don't understand the purpose of trying to enforce it and appointing officers to do it when it's three days out . . . well, no. Three days—only Sunday, Good Friday and Christmas Day that the law prohibits trading. Sunday, Good Friday or Christmas Day, and we seem to be amending that by repeating it—

[Inaudible interjection]

Mr. V. Arden McLean: Yes, Sundays. You think I don't know there are 52 of them?

We are amending the same Bill to say the same thing; that can't be an amendment.

Madam Speaker, if I turn the Minister's attention to the Sunday Trading Order of 2015, we already exempt everybody. We should just repeal the law. I believe that's the easiest thing to do. It says, “**This Order may be cited as the Sunday Trading Order, 2015.**”

“**The Sunday Trading Law (2014 Revision) is amended by repealing the Schedule and substituting the following Schedule -**

“SCHEDULE**“Premises Not Subject to the Law”**

And, Madam Speaker, with your permission I am going to read all of these. And anyone who can identify any business in Cayman other than supermarkets and tyre places that are not exempt, I would wish that they would let me know that.

The Speaker: Please proceed.

Mr. V. Arden McLean: “1. Businesses involved in the provision of goods and services primarily to tourists, including establishments selling souvenirs and duty-free items, tourist accommodations, watersports operators, golf courses and businesses involved in sightseeing activities.”

That’s the whole ambit of tourism.

[Inaudible interjection]

Mr. V. Arden McLean: All exempted.

“2. Druggist shops and dispensaries.

“3. Restaurants.

“4. Retail businesses involved primarily in the sale of food items and beverages, where such an establishment is less than 4,000 square feet.

“5. Hairdressing and beauty salons.

“6. Airline and shipping offices.

“7. Establishments for the sale of motor fuel or oils, in relation to the sale of those items.”

Gas stations and the fish shops, fishing gear.

“8. Motor vehicle repair shops or service stations, in relation to the sale of those items (gas stations and fish shops) and of spare parts for motor vehicles.”

That’s car dealership.

“9. Establishments governed by any Law for the time being in force in the Islands regulating the sale of intoxicating liquor, in relation to the sale of intoxicating liquor.”

“10. Establishments engaged in the sale or supply of funeral caskets or flowers, in relation to the sale or supply of those items.

“11. Establishments for the sale of victuals, stores or other necessaries required for a ship or aircraft on arrival at or immediately before departure from a port or airport in the Islands, in relation to the sale of those items.

“12. Establishments concerned in the rental of motorcars, motor-cycles or bicycles, or in the rental or charter of boats, in relation to such rentals or charters.

“13. Establishments concerned in the provision of such essential services as may be prescribed by the Cabinet by Order.

“14. Establishments engaged in the conduct of public cinematographic exhibitions, in relation to the exhibition, on Sundays between the hours of 2:00 p.m. and midnight.”

Large supermarkets and tyre shops.

You can buy your gasoline but you cannot fix your tyre to drive your car. And we’ve got, what, may five or six tyre shops exclusive around here? That’s the only thing we need to add into this. My question is, my concern is, I don’t see the need to have enforcement people. I am saying that—

Mr. D. Ezzard Miller: Repeal the law.

Mr. V. Arden McLean: Repeal the law.

And I’m not being facetious—

[Inaudible interjection]

Mr. V. Arden McLean: Or something like that. Or maybe add in . . . well, I don’t know whether the supermarkets want to do it or not I don’t know.

[Inaudible interjections]

Mr. V. Arden McLean: Yes, the hardware stores, banks and stuff like that. Why not?

An Hon. Member: They don’t want to.

Mr. V. Arden McLean: They don’t want to?

Well, what are we enforcing against then? Because those who do not want to, like, A.L. Thompson and Cox and . . .

[Inaudible interjection]

Mr. V. Arden McLean: They don’t want to open, so what are we enforcing against? It would only be little tyre shops. That’s the only thing. I just don’t see why we need to do it, Madam Speaker. That’s all. Everything is already exempt, Mr. Premier, Mr. Minister. So, I’m saying, why are we appointing officers because it would only be against supermarkets that are 4,000 square feet, banks, and the hardware stores? Those are about the only ones and the little tyre stores.

[Inaudible interjection]

Mr. V. Arden McLean: So, I don’t see the need, Madam Speaker, for us to be making a big deal to enforce something such as banks, because they are not opening anyway. And if they want to open on a particular time, the provisions are here for Cabinet to allow them to open.

There is no need for us to legislate a law to be able to appoint officers with powers of arrest, when the only ones that can open, don’t want to open. And if they so choose to open, like A.L. Thompson or Cox, they can apply to government to open on a particular day. So that is what I am bringing to the Government’s attention so that they can consider whether or not they need to do this, Madam Speaker.

I don't see any real need to do it, because everything is thrown wide open already and it's only those few businesses that we don't have exempt and they don't want to open anyways. They made representation saying they don't want to open. So, there only needs to be a provision in the law to say that if a particular establishment wants to open under those that are not exempt, like a supermarket wants to open on a particular day, celebratory or whatever the case may be, they make an application to Cabinet and Cabinet exempts them for that day. Simple!

Thank you very much, Madam Speaker.

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

If not, I will call on the mover if he wishes to exercise his right to respond.

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

I certainly thank the Member for East End for his comments. I understand his perspective and motivation there. But, Madam Speaker, the Bill seeks to make an amendment to an existing law which is part of the controls in place for businesses operating within the community. It has been a law in place for a long time and we are simply seeking to extend the existing enforcement mechanism and platform which is being developed under the Trade and Business Licensing Law through the Department of Commerce and Investment. The Royal Cayman Islands Police Service has hitherto been the only enforcement agency, and, of course, we expect a lot from them, Madam Speaker. A couple of days ago we had a long debate and contribution, particularly from . . . or including, I should say, the Member for East End, so I would think he would appreciate the fact that this is now one less area that they are looked to exclusively for enforcement.

Madam Speaker, the Member questions the need for the law. This Government engaged in a public consultation process (at least a year ago, perhaps a little more), I think, probably because of the longstanding request of a significant element of the business community suggesting that restrictions which existed under the Sunday Trading Law should be eased or, in fact, there was suggestion (as the Member did) that the Sunday Trading Law should be repealed altogether. But, as a Government that respects the views of the community, we went through a significant public consultation on this and it was very clear to us at the time that while there was some support to modify some of the restrictions that were contained in the Sunday Trading Law (and I've mentioned those specifically), there was no support to modify it beyond that, and certainly there was no support to repeal the Sunday Trading Law which, again as I said, as the Member noted, restricts business activities on Sun-

days, but also importantly restricts business activities on Christmas Day and Good Friday.

So, Madam Speaker, following the public consultation what the Government did, exercising the power under the law for the Cabinet to revise and replace the Schedule to the Law, was to pass a Sunday Trading Order 2015, which replaced that Schedule. And it went from something like 20 separate sections of the Schedule down to 14 in the sense that we consolidated and rationalised a lot of the existing provisions so that the terms of the Schedule could be shortened. And specifically we expanded the ability for convenience stores, which, at the time, were operating illegally. And the community convenience stores . . . and when I say "convenient stores" I am talking about those that are part of gas stations. Certainly, the small community convenience stores, as well, were similarly caught.

We included provisions in the Schedule to allow those stores, those convenience stores, which the public, clearly, by going out and using those stores any Sunday, demonstrated that this was an important part of an important service for them. So that was reflected in the Schedule as well as an agreement reducing the restriction on supermarkets by limiting it to a maximum of 4,000 square feet. So the small grocery stores that serve the communities were able to continue to do so legally, as opposed to, at the time, illegally.

So, Madam Speaker, we are simply—

[Inaudible interjection]

Hon. G. Wayne Panton: I think I understand the Member, Madam Speaker. If you think there is some aspect of this that I am missing, I'm happy to take your assistance, but—

Mr. V. Arden McLean: Madam Speaker, on an elucidation if the Minister will give way.

The Speaker: Honourable Minister, there are two provisions in the Standing Order where one may interject; one is a point of order, and the point of order must be brought to the attention of the Chair. The other one is by way of elucidation, the latter meaning that you have the absolute right to give way or not. So do you give way, Honourable Minister?

Hon. G. Wayne Panton: I'm happy to give way to hear the point of elucidation, Madam Speaker.

The Speaker: Honourable Member for East End, could you proceed to expound on your point?

Mr. V. Arden McLean: Madam Speaker, what I was trying to get across to the Minister . . . there are probably . . . this law was made back in 1963. And then starting in 1976 they made orders on what could be

done during Sunday, things such as the *Ms. Daphne* on Sunday, 11th January—

And Hon. Member: Cruise ship.

Mr. V. Arden McLean: Just for that day.

[Inaudible interjection]

Mr. V. Arden McLean: Yeah. But it is only for that day that the order was made. And it tells us how infrequent cruise ships were coming in. But what I am saying is that our country has evolved now from where there was nothing on Sundays, except probably a few established churches, United or Church of God, what have you, and everybody was going to church. So, it was the exception to the rule on those days. It has now become the rule that things are open on Sundays because our community has become more diverse and the likes. Therefore—

The Speaker: Member for East End, can you convert your point of illumination to elucidation shortly?

[Laughter]

Mr. V. Arden McLean: I didn't know there was a timeframe on elucidation.

The Speaker: Shall I repeat?

Mr. V. Arden McLean: No, you don't need to repeat; but I didn't know there was a timeframe, Madam Speaker.

The Speaker: I'm not talking about a time element. I said, can you *convert* your point of *illumination* to a point of *elucidation*? I don't have a provision to allow you to illuminate the Members of the House or the Minister. I know where you're going; I'm just asking you to convert it.

Mr. V. Arden McLean: Madam Speaker, one of the things I said was there can be reason to do it on application to the Cabinet. And that's what I am saying that the Minister appears to be missing. I am not talking about the fact that we have exempted all these businesses. The other ones can apply; those that are exempt, instead of having the enforcement on them. And that is what my debate was. I wanted to know if the Government would be more mindful to stop, not repeal altogether, but there is no need for the enforcement officers if it's only a few types of businesses that cannot trade on Sunday.

The Speaker: Honourable Minister, can you elucidate on the presentation?

Hon. G. Wayne Panton: Madam Speaker, I will try. I am not quite sure that I appreciate the distinction in the argument being put forward by the Member for East End.

Madam Speaker, the Bill, as I outlined, simply seeks to address enforcement. And we are simply seeking to extend the enforcement powers to the Trade Officers who now exist under the Department of Commerce and Investment with powers to enforce business laws across the platform of business licensing which has been joined up in this country today. This is something that we have been seeking to do over the last couple of years. We created this platform and this Bill simply seeks to extend the enforcement authority.

I understand the Member's comments. I do not see that those comments relate to the Bill as proposed. But I understand his comments. As I have said, the Cabinet in the Sunday Trading Order 2015, as I mentioned, sought to rationalise the previous Schedule to the Law, so that there was better clarity, and to make only sufficient changes as we gathered represented the views of the community or the Caymanian society, Madam Speaker. This public consultation which was engaged in on this process, was one in which the Government went out simply to seek the views of the community. It was taken initially as a Government proposing a certain position and I certainly had to go to great pains to ensure that the people (and there were quite a number of them who attended the meetings) clearly understood that the Government was simply engaging in an exercise to gather views, and not one to push a particular position or agenda to the people of the country. Nevertheless, it was very clear to us what the views were. That's why we ended up with the revised Schedule and we now have a law. And this Bill simply seeks to enable Trade Officers to enforce the existing law.

Madam Speaker, I am afraid I am not capable of explaining it any further. Perhaps I can have a discussion with the Member subsequently. But up to this point I will have to thank you for the opportunity and thank other Members for their support.

The Speaker: The question is that a Bill shortly entitled the Sunday Trading (Amendment) Bill, 2016, be given a second reading.

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

AYES.

The Speaker: The Ayes have it.

Agreed: Sunday Trading (Amendment) Bill, 2016, given a second reading.

The Speaker: At this time I recognise the Honourable Premier.

Moment of Interruption—4.30 pm

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

Hon. W. McKeever Bush, Leader of the Opposition: Madam Speaker, can I—

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

Hon. W. McKeever Bush, Leader of the Opposition: Can I inquire how late they plan to go? Several of us have appointments on this side.

The Speaker: Honourable Premier.

The Premier, Hon. Alden McLaughlin: Madam Speaker, as I explained on more than one occasion, both in this House and elsewhere, we have a large book of business to be completed. And we also have the reality that we have to start the Budget Meeting of this House sometime toward the middle of next month. So, I am anxious to progress the business. We are doing very well this afternoon. Tomorrow is Private Members' Motion day so there will be no Government Business tomorrow, and we really do need to get through as much of this business as we can. We're making good progress and the more progress we make the more relaxed I will become about how late we work. But I really think elected Members are about the only people in the world now who only have to work between 10:00 and 4:30. I think we need to put in some time on the people's business in the people's House and get the agenda progressed.

Mr. V. Arden McLean: Madam Speaker, may I?

The Speaker: Member for East End.

Mr. V. Arden McLean: Madam Speaker, the Premier is saying that legislators are the only ones who work from 10:00 to 4:30. What about every six months when you want to come? It's not our fault.

[Inaudible interjection]

Mr. V. Arden McLean: It's not ours. So don't come with that. It's your fault—six months we haven't been here!

The Speaker: Members I will put the question and those who wish to vote for it, vote for it, and those who don't—

Mr. V. Arden McLean: Madam Speaker, can he indicate what time, because we have never been told that we were working late.

The Speaker: Honourable Premier, are you in a position to indicate a time? Otherwise I am going to be putting the question.

The Premier, Hon. Alden McLaughlin: Madam Speaker, it depends on how much progress we make. As I said, we're doing quite well. I don't know how long Members are going to be debating, Madam Speaker.

Hon. W. McKeever Bush, Leader of the Opposition: Oh come on.

The Speaker: Then I shall put the question. All those in favour of suspending Standing Order 10(2), please say Aye. Those against, No.

AYES AND NOES.

The Speaker: I'm not sure who has it. Shall I put that again?

Please respond, otherwise the Chair is going to be making a ruling shortly.

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

AYES AND NOES.

The Speaker: I believe the Ayes have it.

Agreed: Standing Order 10(2) suspended.

The Speaker: The House will continue its business.

I should give an indication that I am going to be leaving myself at 7:30 for a plan that I've had, so if the House continues beyond then, I will have to beg the indulgence of my colleague if he's still here.

Madam Clerk.

SECOND READING

SPECIAL ECONOMIC ZONES (AMENDMENT) BILL, 2015

The Clerk: The Special Economic Zones (Amendment) Bill, 2015.

The Speaker: Honourable Minister of Financial Services.

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

I Beg to Move the Second Reading of a Bill entitled, the Special Economic Zones (Amendment) Bill, 2015.

The Speaker: The Bill has been duly moved, does the Honourable Minister wish to speak thereto?

Hon. G. Wayne Panton: Yes, thank you, very briefly.

Madam Speaker, this is a Bill to allow for the Special Economic Zone Authority to more efficiently carry out procedures to conduct their functions; and enforcement to be carried out by Trade Officers within the Department of Commerce and Investment.

Madam Speaker, the Special Economic Zones Authority (SEZA), established by The Special Economic Zones Law, 2011, has two primary functions: implementation of policies and programmes of the Government with regard to special economic zones and the oversight of all licensing, compliance, and enforcement of Special Economic Zones.

Since the commencement of operations of the Special Economic Zones, there have been several suggested changes to the Special Economic Zones Law, 2011. The proposed changes, Madam Speaker, would be beneficial for the operation of the Authority and will make more efficient use of Government resources.

In order to address operational issues faced by the SEZA and to optimise the support which is provided by the Secretariat to the Special Economic Zones, which is the Department of Commerce and Investment, the following amendments to the Law are contemplated:

- Firstly, that the functions of the Authority include conducting due diligence as prescribed by the Authority on all directors of Special Economic Zone companies;
- Secondly, the Authority may have the power to create subcommittees of the board to allow the Authority to carry out its objectives and functions more efficiently;
- Thirdly, the Authority should be able to co-opt any person to attend any particular meeting of the Authority at which it is proposed to deal with a particular matter, for the purpose of assisting or advising the Authority, but a co-opted person will not have the right to vote;
- Fourthly, it is proposed that the Authority would have the ability to set the necessary procedures for submitting an application to carry on special economic zone business in a special economic zone;
- Fifthly, where an existing exempted company or partnership that is desirous of entering into the SEZ is already registered in the Cayman Islands, that business shall deregister and any work permit holders shall be

expatriated for a period of no less than 30 days to allow for a new registration as an exempted limited company or partnership that is registered as a Special Economic Zone entity.

Of course, Madam Speaker, that is designed to effectively limit the ability of entities operating within the domestic economy currently to take advantage of the Special Economic Zone.

Sixthly, the Authority shall be assisted by such trade or other officers as are necessary for the purposes of carrying out this Law. These officers shall have all the rights, powers, privileges and immunities of a constable when discharging their duties under this Law, and may, for that purpose, enter and search any premises with a warrant issued by a JP or Magistrate.

Next, it seeks to amend section 1 of Schedule 1 to allow a member of the Authority appointed under section 3(2)(a) to hold office for a period not exceeding two years or until Cabinet makes a re-appointment; and lastly it seeks to amend the Schedule to the law in relation to provisions that are inconsistent with the introduction of a national minimum wage.

Madam Speaker, in terms of the details of the Bill:

Clause 3 amends section 3 of the principal Law so that the members of the Authority's Board have three persons appointed by Cabinet from the private sector. This clause also removes the Directors of Planning and Labour and the Chief Surveyor as an ex officio positions from the Board of the Authority.

Clause 4 stipulates that the Department of Commerce and Investment shall be the Secretariat and make provision for the processing of applications and permits and the manner in which minutes shall be kept.

Clause 5 extends the functions of the Authority so that the Authority may be empowered to conduct due diligence on directors and any person with a beneficial interest in a company in the Special Economic Zone, and provides further that the Authority may establish the process for the manner in which applications are to be made to the Authority.

Clause 6 permits the Authority to appoint committees of the Board to assist the Authority in exercising the Authority's functions, the manner in which the committees are to be constituted and the manner in which the functions are delegated by the Board of the Authority to the committees are to be performed.

Clause 7 permits the Authority to co-opt persons to attend meetings of the Authority for advisory purposes and to delegate to the Secretariat the function of considering applications for renewal.

Clause 8 extends the number of days in which the Authority may request additional information and takes it from three days to five days.

Clause 9 permits the appointment of trade officers for the purpose of enforcing the Law pursuant to the instruction of the Authority.

Clause 10 confers the rights, powers and privileges of a constable on a trade officer appointed under the Law. This clause also inserts section 29B into the principal Law, which makes provision for applications to be made by the Authority to a magistrate or justice of the peace for warrants to enter and search premises.

Clause 11 amends Schedule 1 of the principal Law so that the period of appointment of a member of the Authority is no longer a fixed period but essentially determined by Cabinet.

Clause 12 amends Schedule 3 of the principal Law so that, a) remuneration agreed between special economic zone enterprises and their employees cannot be lower than the minimum wage prescribed under the Labour Law (2011 Revision); and b) the transfer or exchange of pension monies or pension assets out of the Islands in respect of partners, directors, officers and employees of a special economic zone enterprise at the end of the valid period of the respective work permits is subject to the provisions of the National Pensions Law (2012 Revision).

Madam Speaker, this concludes my presentation of the Bill. I commend to this honourable House for passage. Thank you.

The Speaker: Does any other Member wish to speak?

I recognise the Fifth Elected Member for George Town.

Mr. Winston C. Connolly, Jr.: Madam Speaker, I rise to ask a question on section 5, just as a point of clarification before I say whether or not I support it.

This goes to 5(d). I would like the Minister to perhaps explain how the process will work if the due diligence is not satisfied in that, will this business then not be granted the certificate and any information, criminal or otherwise, handed over to the relevant authorities. I see that you can set out the requirements to be satisfied, conduct the investigation, but it doesn't go to the next step after that.

The Speaker: Members, we can deal with this in two ways. The Honourable Minister can respond at this stage to satisfy the Member asking, or we can allow the Member to debate and then he would respond in his reply.

Honourable Minister.

Hon. G. Wayne Panton: Madam Speaker, pardon me. Would you mind repeating your clarification?

The Speaker: The normal procedure would be for the Member to debate and you to respond. The Member has made a petition for you to elucidate. So, I am just

asking whether you wish to keep with the convention or whether you wish to elucidate. It's in your hands. He based his support of the Bill based on your elucidation. That's why I'm putting it that way.

Hon. G. Wayne Panton: Madam Speaker, I think it would be useful if the Member put his comments in respect of this. I'll have an opportunity then to respond in respect of that.

[Inaudible interjection]

Hon. G. Wayne Panton: Madam Speaker, I understand that that was the extent of the comment from the Fifth Elected Member for George Town.

The Speaker: Honourable Minister, sorry for the interruption. If that was the extent of his inquiry, I should wish to ask if there was any other Member wished to debate, and we won't be creating some unnecessary precedent.

Does any other Member wish to debate?

Fourth Elected Member for Bodden Town.

Mr. Alva H. Suckoo, Jr.: Thank you, Madam Speaker, I will be brief. I was going to rise just to give my support to this Bill and to commend the Government for keeping the legislation in place with changes that are occurring in other pieces of legislation that directly affect it. I would also like to commend the Government for continuing to introduce efficiency into the legislation through the use of trade officers for enforcement, and for also taking the necessary steps for safeguarding local business and preventing local companies from transitioning into the zone quite so easily.

I did have sort of a question for the Minister, Madam Speaker. I would be so happy if, when he winds up, he would explain what the rationale is for the Director of Planning and Labour and the Chief Surveyor being removed from the Authority. Aside from that, Madam Speaker, I completely support this Bill and I congratulate the Minister for bringing this forward. Thank you.

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

If not, I call on the Honourable Minister responsible for Financial Services to reply.

Hon. G. Wayne Panton: Thank you, Madam Speaker. And I thank the Fifth Elected Member for George Town and the Fourth Elected Member for Bodden Town for their comments.

The comments in respect of the proposed changes to section 5(1) of the principal Law, effectively empowers the Authority now to have a clear and established process through which they can request the necessary due diligence information on directors

and shareholders involved in companies which seek registration under the Special Economic Zone. Prior to this there was no clarification in respect of this. The position, of course, will be that this is a discretion which they have, that the Authority has, and if the due diligence information presents an issue which cannot be resolved through further clarification, then, I would imagine that the Authority's decision would be not to approve a registration of an entity under the Special Economic Zones.

In terms of the point made by the Fourth Elected Member for Bodden Town, Madam Speaker, I think it is a very valid point. It is one that the Government has been concerned about all along because when this Law was passed in its original form there were no actual mechanisms or restrictions put in place to prevent entities which existed under the domestic economy moving into the Special Economic Zone applying for that.

Now, the board may have taken a dim view, the board or the Government at the time may have been concerned about that in respect to any particular application. But there was no mechanism through which this could be dis-incentivised or effectively restricted, other than a decision of the board which might be subject to legal redress if not effected properly. So, certainly, this Government's position was that we needed to put a mechanism in place which effectively dis-incentivised that. And that is the reason for the provisions in the Bill which require de-registration and the expatriation of persons on work permits. We can't obviously do that in respect of any limited number of Caymanians that may be employed there, but certainly we can do it in respect of those who are on work permits.

Of course, the whole concept of this Special Economic Zone was to generate additional business coming into the Islands to be set up and become a part of the economy on the basis that it was given certain concessions in respect of very much easier work permit process and very significantly reduced fees. So, there was a significant fee concession and a significant process concession. Clearly, that was the basis for this concept. The only issue was that there was no mechanism put in the Law which effectively restricted other companies existing within the domestic economy from also taking advantage of that.

I don't think it has happened to a great extent. I think there have been some examples. But there were certainly a lot of concerns that it was very much open to abuse, hence the reason for these provisions in this Bill.

Madam Speaker, with that, I hope I have satisfactorily addressed the comments from the Members. I thank you. And I thank other Members of this honourable House for their tacit support.

[Inaudible interjection]

The Speaker: Director of Planning.

Hon. G. Wayne Panton: Yes, and I thank the First Elected Member for Bodden Town for reminding me. I apologise, Madam Speaker.

The ex-officio positions that were originally included on the board, I think the views were when the Law was originally passed was that those positions are necessary in order to facilitate the start-up and operations of the Special Economic Zones. Given that it had been running for some five years now, at least, the view was that it was no longer necessary to have these ex-officio positions on the board. The interaction and the mechanisms were working very well and I think the view simply was that those positions were no longer needed, hence the recommendation and the inclusion of that in the Bill. Thank you, Madam Speaker.

The Speaker: The question is that the Special Economic Zones (Amendment) Bill, 2015, be given a second reading.

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

AYES.

The Speaker: The Ayes have it.

Agreed: The Special Economic Zones (Amendment) Bill, 2015, given a second reading.

SECOND READING

ACCOUNTANTS BILL, 2016

The Clerk: The Accountants Bill, 2016.

The Speaker: I recognise the Honourable Minister of Financial Services.

Hon. G. Wayne Panton: Madam Speaker, I Beg to Move the Second Reading of a Bill entitled, The Accountants Bill, 2016.

The Speaker: The Bill has been duly moved. Does the Honourable Minister wish to speak thereto?

Hon. G. Wayne Panton: Indeed, Madam Speaker, thank you.

I rise to present the Bill on behalf of the Government: it is a Bill for a Law to repeal and replace the Public Accountants Law (2009 Revision); to provide a modernised system for the regulation of accountants; and for incidental and connected purposes.

Madam Speaker, the Cayman Islands Society of Professional Accountants (or "CISPA") is the main proponent of the Bill, and has advocated for years for

modernised legislation for the regulation of accountants.

CISPA's motivation in this regard stems from the following: Although originally founded in November 1970, CISPA was reorganised in January 2007 as a result of the passing of the existing Public Accountants Law (which I will refer to hereinafter as the "*Existing Law*") where CISPA assumed the role of regulating the local audit profession. Also in 2007, CISPA gained membership in the International Federation of Accountants (or "IFAC") and worked to an IFAC action plan in order to fulfil IFAC's standard membership obligations which include, but are not limited to, ensuring quality assurance, competency within the profession, international standards, training of accountants in the public sector, improving and maintaining the investigation and disciplinary processes and continued training and awareness of international financial reporting requirements. And so, CISPA's role has grown quite considerably from its original establishment, and will continue to grow, into much more than regulating public practitioners.

CISPA ensures quality through the audit of its members continuing professional development hours and competency of its members and licenced practitioners. Additionally, the Bill was drafted in preparation for impending assessments of the Cayman Islands by the Caribbean Financial Action Task Force (or "CFATF") in accordance with the Financial Action Task Force Recommendations of 2012. These recommendations require, amongst other things, that accounting profession and, similarly, the legal profession, be regulated for anti-money laundering and combatting terrorist financing purposes when conducting relevant financial business. The Bill therefore seeks, not only to address the critically important international assessment preparations, but also to enable CISPA to meet IFAC's requirements.

Madam Speaker, the main provisions of the Bill that distinguish it from the Existing Law, are provisions that implement or enable some of the following:

- a) registration of firms in order to ensure that quality assurance reviews of the firms can be conducted;
- b) provisions facilitating the liaison between CISPA, Auditors Oversight Authority, and other accounting institutions;
- c) empowering CISPA to enforce appropriate continuing professional development;
- d) enabling CISPA to conduct investigations and discipline, and/or impose sanctions as appropriate in its regulatory role;
- e) empowering CISPA to issue binding rules on members to be used to enforce standards and requirements;
- f) reclassifying CISPA as a regulatory body rather than a Society of members;

- g) allowing for revisions to the disciplinary regulations that will enhance the enforcement and oversight powers of the CISPA;
- h) providing for the creation of Quality Assurance Regulations which will set the standard for audit quality controls in firms; and
- i) allowing for the drafting of new fee regulations due to the change in structure of CISPA from a society of members to a regulatory body.

Madam Speaker, the passage of the Accountants Bill, 2016, is therefore anticipated to significantly improve the regulatory powers of CISPA so that it is able to meet its international obligations to IFAC and for the Cayman Islands to meet its international obligations under the FATF Recommendations. And of course, Madam Speaker, I am sure Members are aware that there will be a review later next year in this respect and it is important, therefore, to have all necessary preparations in place and all legislative framework changes made in order to achieve an appropriate good result.

So, Madam Speaker, the Bill is arranged into six parts:

Part 1 deals with clauses 1 and 2 and addresses the short title, and defines new expressions and interpretations used in the Bill.

Part 2 includes clauses 3 to 6, and contains provisions relating to the continuation of the Cayman Islands Institute of Professional Accountants, which is the new name for CISPA, the Council, the Institute's funds, and the Institute's accounts.

Part 3 includes clauses 7 to 16, and contains provisions for registration and licensing of accounting firms and individuals.

Part 4 includes clauses 17 to 27, and addresses discipline and sanctioning.

Part 5 includes clauses 28 to 35, and contains provisions to deal with miscellaneous issues such as, but not limited to, compliance with the Proceeds of Crime Law (2014 Revision), regulations, co-operation, and repeal, among other items.

Part 6 includes clauses 36 to 38, as well as, Schedules 1 and 2, and contains provisions regarding the Quality Assurance process.

Madam Speaker, careful consideration was given to the repeal of the 2009 Law in significant consultation with the private sector, so there has been tremendous support given to this Bill by review of the existing membership and board of CISPA.

Madam Speaker, in closing, I wish to thank CISPA (or I should properly refer to them by their new name which they recently changed, which is the Cayman Islands Institute of Professional Accountants). I wish to thank them for their efforts and willingness to assist the Ministry and the Legal Drafting Department with the preparation of this specialised legislation, which is expected to enhance the essential and well-

respected accounting profession of the Cayman Islands.

I now therefore commend the Accountants Bill, 2016, to honourable Members for passage.

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

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

Our Islands today boast a world class financial services industry. This industry contributes, we believe, in excess of 50 per cent of government's revenue annually. We believe also it's by far the largest contributor to our GDP.

It didn't take us one night, one day to get to this point. It took many long years of hard work by many people to build this industry. Perhaps most notably this industry has been responsible for many Caymanians having good, stable jobs, with benefits that allow them to build homes and raise families without having to leave our homeland to seek employment. This industry has [provided] a number of Caymanians with scholarships to pursue higher education and more professional qualifications. This has equipped them to compete on a world stage.

The remarkable success of our financial services industry has been made possible because we were able to attract world class firms and talent that made Cayman their home, pioneered, as I said earlier, this industry, and mentored and supported Caymanians over the years. Let us take pause to celebrate that as we reflect on that success. Some may argue that that is waning. But we still have much to celebrate.

Madam Speaker, talent and knowledge are the industry's most valuable commodity. In order to ensure the continued success and longevity of this industry, it is imperative to continue with the nurturing and development of Cayman talent. The Accountants Law of 2016 is, I believe, an opportunity for the Cayman Islands to modernise the more previously enacted Public Accounts Law. I had opportunity to be briefed by one of the top firms on this matter. And, Madam Speaker, I am glad that we still have people in our community and in our industries that are willing to sit down and give us the benefit of their knowledge, their background, what they do, how things can be enhanced for the present and future of our Islands and our people, and, in particular, opportunities for young Caymanians.

So, I was happy to be briefed. It's not often they do. Most times . . . and I'm not blaming here, I am just saying that a lot of times we get legislation and as backbench we don't get an opportunity to hear from the horse's mouth, as it is, the facts or even more information that is probably given at a committee meeting as such.

So, in keeping with international requirements the Bill seeks, as I understood, I think the Minister said too, to bring into effect an accounting institute, the Cayman Islands Institute of Public Accountants, which will provide regulatory oversight for accountants and accountant firms practicing public accounting. I was asked by a couple of people whether this would affect those little bookkeepers that normally run small businesses and so on. And, from what I understand of it, I had to tell them that this Bill will not seek to regulate those bookkeepers or accountants that are not in the more public practice. That's my understanding and that's what I had to relate to a couple of people who spoke to me about it. So, the passage of this Bill seeks to ensure that the public accounting profession in Cayman will continue to be recognised by the International Federation of Accountants, what I think they call it IFAC. So, Madam Speaker, it is important that we continue to encourage and support the financial services industry. And in order to do that, we need to continue our support of the accounting profession (and others, of course, but we are dealing with this one now) which is critical to the success of the financial services industry and in turn, the Islands overall.

Our Islands today, I watch and I sit on public platforms, I say so in this House, I talk to small groups, we are no longer the *Island that Time Forgot*. We wouldn't have come this far if we were not able to let the world beat a path to our door and we benefit from it. And I keep telling people that our Islands are challenged on nearly every front that is within our financial services industry. We have lost jobs in the industry and we now must guard most jealously what we do have. And we have to be more than careful to protect the industry. These sorts of initiatives, these sorts of laws, I do believe will do that. We are maintaining our commitment as a world class financial services centre, and I believe that the Bill helps ensure that we do that with enhanced regulation and oversight of the public accounting industry.

I am happy to support Government on this Bill. As I said, it will improve, and I hope that the people listening that might have questions on certain matters, understand that this will enhance the industry.

The Speaker: Does any other Member wish to speak? Does any other Member wish to speak? Final call—

The Fifth Elected Member for George Town.

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

I too rise to commend the Government on bringing this Bill forward. I would publicly like to thank CIIPA, as it's now called, for taking the time, not once, but twice, to invite the Opposition Members to come and be walked through a law. Being a lawyer, I certainly welcomed to go through some of the technical aspects and hear about what the Association is doing

in terms of raising the bar, providing opportunities for locals, and just setting out to be a beacon in this world of professionals.

I would like to congratulate CIIPA for the job they have done and continue to do within the local economy, and what they have done with our local home-grown talent, taking them in, making plans for them and progressing them up to full equity partnership.

Madam Speaker, having gone through the Bill, I think it's a very good Bill and deserving of emulation. It is an essential Bill, again, to adhere to international principles and standards and to ensure that our accounting profession is on par with the top jurisdictions of the world. I think collectively as Members of the Legislative Assembly we should laud and celebrate an industry which cultivates Caymanian talent, all the way to the top positions, both in leadership and salary. Madam Speaker, this is true nation building and good community citizenship.

With all the top accounting firms represented in the Cayman Islands, this too should be the goal in all the professions. Imagine the opportunities for Caymanians if governed in the same way as the accountants, opening up our doors and allowing the top talent to come in and our professionals to rise with that top talent.

Madam Speaker, the accountants show that with proper support and the right attitude at the top of the organisation, that Caymanians can reach the pinnacle. I think they should be commended for this because any industry which values nurturing and training and that practices stewardship and fundamental values is one with good business sense and one that benefits from their hard work.

Madam Speaker, this Bill shows what can be done, and it should be a beacon for all the other professions. The other thing that I observed when discussing the Bill with CIIPA was the attitude in some of the firms where partners were linked to juniors and acted as mentors, and whose performance was linked to that person's success. I think, again, this is worthy of duplication across the board and should be the norm and not the exception.

Madam Speaker, I have no reservations whatsoever in supporting this Bill, because I think that as an industry the accountants have showed us what can be done when you have core fundamental principles which are not discriminatory in nature, and which are practiced without fear or favour. Madam Speaker, technically, I don't have any issues with the Bill. I think that it encompasses everything that we were told needed to be encompassed. I would just like to end by saying that sometimes things like this act as rewards for good behaviour when you can see the partnership between government and private sector and what that partnership can do for our people. Thank you, Madam Speaker.

The Speaker: Does any other Member wish to speak?

I recognise the Second Elected Member for George Town.

Mr. Roy M. McTaggart, Second Elected Member for George Town: Thank you, Madam Speaker, for allowing me to make my short contribution to the debate on this Bill before the House.

Madam Speaker, I have to say it's a proud day for me because I was a part of the CISPA council when the original Public Accountants Law came into effect. I can't remember whether it was 2007 or 2008. But, Madam Speaker, the genesis for the original law came out of a very growing need that was identified at that time of raising the profile and the structure that surrounded the accounting profession here in Cayman as a result of world events that were taking place that probably began in the late '90s, early 2000s. So, there was a strong push from what was the CISPA council to get a public accountants law established in Cayman.

To be honest, Madam Speaker, prior to that we operated without any regulation or law whatsoever. The profession had been here for well over 40 . . . close to 50 years, but without any form of oversight or regulation. So, that original Public Accountants Law was the genesis which came out of the need to improve, raise the profile and ensure that the profession itself was one that could be respected and that it had a sense of structure and regulation to it that the world community and, indeed, the business community could rely on to ensure that the people they were dealing with were competent, that they were trained, and that they were regulated.

Madam Speaker, one of the goals of the profession has always been to become a full member of the International Federation of Accountants, which is the overarching world governing body of accountants in the world. We call it IFAC. And we heard the acronym mentioned here this evening. I do know that CISPA was admitted as a full member of IFAC and deserved to be commended for that. But as a part of that process of becoming a member of IFAC, a number of shortcomings in the existing Public Accountants Law were clearly identified. And there was a clear need for further change. CISPA itself needed to evolve further and raise the bar once again to step up to become a full regulator and overseer of this profession. And this, therefore, forms one of the basis' for the Accountants Bill that is here before us this evening.

The changes themselves were so significant it will result in the complete repeal of the original Public Accountants Law and replacement of it with this Law. But, Madam Speaker, I am confident too that this Law does completely address the shortcomings that existed with regard to the requirements of the International Federation of Accountants.

What this does for the profession here, Madam Speaker, is place us on an equal footing on the same level as the rest of the countries that are all full members of the International Federation of Accountants. It means that we operate to certain standards that are generally accepted and approved. And any nation, or country, or entity or business dealing with accountants registered in Cayman can take comfort from the quality of the people and the services that they should come and know to accept from a professional services firm.

Madam Speaker, if I could digress very briefly to address a matter identified by the Leader of the Opposition in his contribution, and that is really the distinction between bookkeepers and what I would call public accountants, and to reassure those who might be concerned that for those engaged in providing bookkeeping and accounting services to businesses on the Island, they are not affected by this legislation. It is those who are engaged in providing audit and assurance services to businesses, whether they be local or international. If they are engaged in providing audit and assurance services to clients, then, they are caught and are subject to this Law.

Madam Speaker, the Law will also allow us to demonstrate to the FATF that we are compliant with international standards, that we can regulate ourselves, and that the profession can discipline itself, that it can provide for assurances on quality performance. And that, Madam Speaker, is one of the areas that I know has always been a bone for the accounting profession in this country. One of the requirements, or one of the underpinnings of the accounting profession, is that they must go through annual quality performance checks and reviews. That is to ensure that the people who are performing work are doing it to the right standards and delivering the right services and the right opinions in the marketplace.

Now, over the years the accounting profession has come under increased scrutiny, increased oversight and increased reviews or inspections from not just international bodies, but other regulating bodies as well. I will give you an example. Any firm here in Cayman, every year would have to go through their own internal quality performance review and checks. They could also be subject to a review, a quality performance review, by their international firm, in which case they would send a team of inspectors into the firm locally. They could also be subject to inspection by the public company PCAOB, Public Company Accounting Oversight Board, in the United States. They could also be subject to the PCAB, Public Company Accounting Board of Canada, and they could also be subject to review by the Institute of Chartered Accountants of England and Wales as well as maybe even a Japanese regulator or a Spanish regulator.

In my former life as a public accountant, there were times and years when we had to go through five different inspections, all of which took thousands of

man-hours to prepare for, endure and deal with the results of those inspections. One of the hopes that I think would come through this Bill is that as CISPA is now responsible and takes up that mantle of conducting these external and quality performance reviews, is that those reviews could be accepted as being on par with the requirements of some of these other external bodies that would seek to impose their own inspection regime on our local accounting firms. I know that it is an extreme burden every summer, from June through to the end of September for every accounting firm in this country because of the number of internal and external reviews that must be carried through. So that's one of the real hopes that I have for the profession locally, that the number of reviews could be limited and that they could be accepted, provided that they are robust and independent and be accepted by regulators worldwide as being comparative or on par with what they require for themselves in their home country.

Madam Speaker, what the profession is asking for now is for there to be mutual respect and recognition of our profession and the regulation of it in these world bodies.

So, Madam Speaker, I look forward to the time when we will take the vote, get through the Third Reading and actually pass this legislation. It is timely. It is one that I know, and can say so confidently, that there isn't a single accountant in this country that doesn't eagerly anticipate and await this legislation, because it will finally allow what CISPA or what now is an institute, to fully mature and allow the profession to mature to what it should be and should have been from many years ago. So I look forward to supporting the Bill when it comes to a vote and I do commend it to every Member of this House. Thank you, Madam Speaker.

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

I recognise the Fourth Elected Member for Bodden Town.

Mr. Alva H. Suckoo, Jr.: Thank you, Madam Speaker.

Again, I will be brief, because I am rising to offer my support for this Bill. I also had the benefit of a briefing from a local accounting firm and I was able to satisfy myself that this legislation is definitely going to strengthen our industry of financial services.

I have to congratulate what will soon be known as CIIPA on some outstanding work and hard work in helping to move this forward. It is very refreshing to see this sort of approach in this day and age when we have numerous examples of other industries where we don't see this sort of commitment to strengthening the position of the individuals involved in the industry. And I have to say that I think accountants have gotten it right. Clearly they believe and have

created pathways to the top for our people, for Caymanians who are involved in the profession. I have seen their commitment to the training of our local Caymanians and their employees in general. I have seen investment in our people coming through the accounting profession, and I have seen a commitment to maintaining very high standards globally. And again, they must be commended for that.

I do wish that other industries would learn from the accountants because we do have some examples of other professions where we haven't been able to move their legislation forward for various reasons, but it seems to be, in my mind, an inability to arrive at a consensus and establish a way forward that's for the benefit of all concerned.

I just wanted to rise to give my support to this Bill and to thank the Minister and his Ministry for the hard work involved in bringing this forward, and to encourage him to apply this model to other industries and see if we can continue to strengthen our financial services and work in partnership to keep our financial services ahead of the game and growing from strength to strength. Thank you, Madam Speaker.

The Speaker: Does any other Member wish to speak?

I recognise the honourable Member for East End.

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

I had no intention of speaking but since these two young men got up here and so eloquently put forward their position, I recognise that while they are supporting and their debate is nice to listen to, they don't say it like I do. And I need to say it like I do. No disrespect to them. I like the way they debate but it's different from me. Everybody is different.

Madam Speaker, everybody knows the affinity I have towards Dan Scott. I have made that very public. And I make no apologies for that either. My friend, he drove my first car down from Tampa to Miami to help me get it on the boat when he was a student.

The Speaker: I thought you were going to say he was a Cayman Bracker.

Mr. V. Arden McLean: He's from Cayman Brac. Comes from a good family in Cayman Brac, you know?

[Inaudible interjection]

Mr. V. Arden McLean: You're going to get sued too.

Madam Speaker, I have always . . . and I think people know the affinity I have for Sheree as well, Davy's wife; grew up in East End, comes from a good part of the country. So, she is honest, upright, I expect no less from either of those. She is chairman . . . CEO of CISPA. So, Madam Speaker, when they called me,

Sherrie called to say that they wanted to brief us on what they were doing and what they were trying to achieve and that kind of stuff, I was quick to jump on it to go to get a briefing. I was pleasantly surprised that in all my years here that anyone would even call me to do that. But I guess I expected no less from that, because I expect them to be straight up and honest with me, as I view them as friends.

Madam Speaker, I didn't see any hidden agenda. I didn't know the Accountants Law had to be amended to give them a better standing within the world organisations in order that they could be recognised through those organisations.

Madam Speaker, I nevertheless found it quite unnerving that they would call me and no one else does. And for 15 years we have been trying to regulate the other side of this financial industry and people hiding it. And Madam Speaker, I speak specifically (I tell you these young men can say what they want) about the Legal Practitioners Bill. Madam Speaker, they think that other people don't know and they lambast me in the papers and speak all manner of evil about me, but, Madam Speaker, if what they have been proposing was so good, why didn't they do what Dan Scott and Sherrie did? Pick up the phone and call me with some confidence that this is in the best interest of the country. You know why they can't do it? It's greed. It's personal interest. They can't do that.

I did not have to tell Dan Scott and Sheree and Jacobs; up and coming partner—I did not have to tell them, *We know how many of your partners we made Caymanians; how many Caymanians did you make partner?* I didn't have to ask them that question. All of a sudden they are behind closed doors and shadowing on drafts so they can measure and see who disclosed it. Madam Speaker, I watched those accountants and I watched the Second Elected Member for George Town; just as tight as a gasoline drum, but made his money here and spending it here on his children and his family.

[Inaudible interjection]

Mr. V. Arden McLean: You didn't hear that expression before? Tight as a gasoline drum? I never said he's cheap; I said he's tight.

[Laughter]

Mr. V. Arden McLean: Tight, tight, tight.

That's his way of life but he made his money here. And I'm proud of him.

What they are trying to do to us, Madam Speaker,—and it is going to come up again, and I am comparing this with other professions—is they want to take the laws that we painstakingly put in place to help our young Caymanians and help Caymanians, carry it elsewhere, practice it, make the money there, and then enjoy our tax haven status here.

Madam Speaker, the accountants are not doing that. The accountants are being regulated here in the Cayman Islands. And there are Caymanians who are benefitting as a result. But, unlike these young men here, Madam Speaker, who shoot the shots across the bow, I am going straight for the middle. Don't bring it here. That's a warning to all and sundry, because I'm going on a campaign against everybody that does it. So, we can sit down and discuss this, people can pay to have it done and hide it from us and try to bring it at some stage? I hope not. I think it should be done like these accountants here, Madam Speaker. The Accountants Law has been out in the open and it is a good thing for us to be able to stand here and say that we support it, because it regulates that side of the industry in this country but it promotes and it assists young Caymanians.

This Accountant Bill doesn't say anything about you have to have years of experience to be able to join it. Madam Speaker, the organisation, come as you are; even students. *Come, let us assist you. You are a part of this organisation and you will benefit as a result of being part of this organisation.*

Madam Speaker, my job was to come here to advocate on behalf of the people, you know. And if I don't do that, then, I haven't done my job.

Madam Speaker, the vested interest in this is that everybody benefits. The accounting firms benefit because they are recognised then as being regulated locally and internationally. Therefore, more people put more trust in them. And the business will come. But whilst that business is coming, students and associate members will get the opportunity to develop there and get opportunities. There are two pillars to this financial economy, Madam Speaker. The other is the lawyers. There are more than two, registration management of companies, and the likes. But two major ones heavily regulated must show their professionalism and that they are regulated on that basis. And that's the accountants and the lawyers.

Madam Speaker, the time has come to stop pussyfooting around with the other side of it. We are here today giving these people what they asked for. The other side is hiding. They may run, but they will never hide, because there will be a Government come here who will bring a Legal Practitioners Bill in here. And they are going to get what they get.

Madam Speaker, you hear? You hear? When you throw rock in pig pen, the one that squeals is the one that got hit. Thank you, Madam Speaker.

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

Honourable Minister of Finance.

Hon. Marco S. Archer: Thank you, Madam Speaker.

I rise in support of the Bill. I will be very brief.

Madam Speaker, I too was greatly thankful and impressed with the outreach of the CEO of what

is now [known] the Cayman Islands Institute of Professional Accountants, as well as the various partners from Ernst & Young. I thought it was very helpful for them to come and explain the matters within CIIPA and how it related to what was required on the part of IFAC. I just want to say that it was greatly appreciated and I think the Bill will go a long way towards improving their ability to comply with international regulations as well as their own domestic requirements. Thank you, Madam Speaker.

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

I recognise the Honourable Minister responsible for Financial Services.

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

I certainly would like to thank the Members who have spoken in support of the Bill and let me say in particular that my colleague, the Second Elected Member for George Town, who I think did an incredibly great job with his elucidation. He very clearly set out the historical perspective and the rationale in terms of the need for this Bill.

[Inaudible interjection]

Hon. G. Wayne Panton: Both.

He certainly made it very clear.

So, Madam Speaker, the other Members of this House who have not spoken have clearly indicated their tacit support. I appreciate the support given by all Members of this honourable House on such an important piece of legislation at this point. Certainly, one of the concerns was that if the Bill could not get through, there might be an issue with their IFAC membership—

[Inaudible interjection]

Hon. G. Wayne Panton: I'm told there would be an issue with their IFAC membership. Certainly, in the past that was . . . there are examples of jurisdictions. I think it was the Bahamas which was suspended in terms of IFAC registration, pending their new legislation in compliance with all the necessary obligations to keep their membership.

So this Bill will put in place a law which will ensure that there is no occurrence of that in relation to the Cayman Islands accounting profession. So, I thank again all the Members. I think there is clear support and this is a very important piece of legislation which supports the very core element of our financial services industry. As has been mentioned by others, clearly it is an essential part of our economy and ensuring that we provide support for the core elements will be essential to ensuring that going forward we

have the strength in our financial services industry to withstand the challenges which have in the past, and will, no doubt, in the future, come our way. Of course, this also applies to the legal profession. Madam Speaker, that profession has been operating under a piece of legislation which was passed in 1969. As we've heard by the comments provided by my colleague, the Second Elected Member for George Town, it was only fairly recently that there was legislation in place to effectively regulate professional accountants in the Cayman Islands.

But one thing, Madam Speaker, which has been very clear to me, which in my mind underscores the success of the accounting profession in the Cayman Islands in terms of some of the issues that others have spoken to, and in particular the Member for East End, there is one key element there, and that is we, the accounting profession, long ago got rid of this concept of "us and them." There was a unified body which regulated the accountants. And that is a concept which needs to be translated to the legal profession as well, Madam Speaker.

[Inaudible interjection]

Hon. G. Wayne Panton: That is an essential element of ensuring that we have a very solid and strong . . . the strongest foundation we can have going forward to protect the interests of our incredibly important financial services industry.

Again, Madam Speaker, I wish to thank all Members for their support, those who have spoken and those who have not, and I thank you for the opportunity.

The Speaker: The question is that a Bill shortly entitled the Accountants Bill 2016, be given a second reading.

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

AYES.

The Speaker: The Ayes have it.

Agreed: The Accountants Bill, 2016, given a second reading.

The Speaker: This is a most appropriate time for afternoon break.

Proceedings suspended at 6:04 pm

Proceedings Resumed at 6:48 pm

The Speaker: Please be seated. Proceedings are resumed.

Madam Clerk, one moment please.

Members, we just recently debated about the composition of Members to the Review Council and I have been asked by the Leader of the Opposition to record into the record, his nominee, and I would imagine the Government at this stage also have their nominee if you wish to do it. I have given way to the Leader of the Opposition to do, and likewise, to the Honourable Premier if he would wish to do it to complete the record as well.

SEARCH AND RESCUE REVIEW PANEL NOMINEES

Hon. W. McKeeva Bush, Leader of the Opposition: Thank you, Madam Speaker, I will be very brief.

We thought it appropriate to say to the House that the backbench Opposition has agreed with the Governor's request for us to nominate a person to be our choice to serve on the Review Panel on the matter of the recent search and rescue operation: That Justice of the Peace is the Honourable Mary Lawrence.

The Speaker: I recognise the Honourable Premier.

The Premier, Hon. Alden M. McLaughlin: Madam Speaker, the Government has nominated Mr. Kirkland Nixon, JP. And I expect the Governor will make, if she has not already done so, make an announcement with respect to the Review Panel tomorrow.

The Speaker: Madam Clerk.

BILL

SECOND READING

HEALTH INSURANCE COMMISSION (AMENDMENT) BILL, 2016

The Clerk: The Health Insurance Commission (Amendment) Bill, 2016.

The Speaker: I recognise the Honourable Premier.

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

Madam Speaker, I rise to move the Health Insurance Commission (Amendment) Bill 2016. The mission of the Health Insurance Commission is to ensure that the provision of health insurance in the Cayman Islands is well regulated and that assistance is provided to the general public in resolving complaints relating to the provision of health insurance.

Madam Speaker, the role of the Health Insurance Commission is to monitor and regulate the Health Insurance Industry in the Cayman Islands. Its functions include: the assessment of monitoring premium rates; the administration of the segregated insurance fund; monitoring the conduct of approved in-

surers; resolving complaints; and advising the Minister of Health generally on any matter relating to health insurance, including advice on amendments to the Health Insurance Law and Regulations.

With regard to the segregated insurance fund, although it is established under the Health Insurance Commission Law, the roles and responsibilities of the Health Insurance Commission in the collection of the segregated insurance fund—Madam Speaker, forgive me, forgive me. I have launched into the debate on the Bill before I have been given leave.

The Speaker: The Bill has been duly moved.

Does the Premier wish to speak further to the Bill?

The Premier, Hon. Alden M. McLaughlin: Thank you, Madam Speaker, and I would ask you and the honourable House and all listening, to again, forgive my enthusiasm for getting the Bill through and to take what I have previously said as the commencement of my debate on the Bill.

Madam Speaker, with regard to the segregated insurance fund, although it is established under the Health Insurance Commission Law, the roles and responsibilities of the Health Insurance Commission in the collection of the segregated insurance fund are not fully reflected under the current legislation.

Madam Speaker, the segregated insurance fund was established to assist the Government with the cost incurred for providing medical treatment to indigents. Under regulation 5(1) of the Health Insurance Regulations, the Health Insurance Commission on behalf of the Government collects from each approved insurer \$10 per month of each premium charged under each standard health insurance contract for individual policy holders with no dependents and \$20 per month of each premium charged under each standard health insurance contract for individual policy holders and dependents. All monies collected by the Health Insurance Commission into the segregated insurance fund are remitted to the Ministry of Health and Culture.

Madam Speaker, I would now like to deal with the specific provisions of the amending Bill.

Clause 1 provides the citation and the title, Health Insurance Commission (Amendment) Law 2016.

Clause 2 amends section 7 of the Law by repealing paragraph (a), which states, “to manage the segregated insurance fund established under section 8” and substituting the following paragraph: “(a) to manage the collection of all sums due to the segregated insurance fund established under section 8;”

Madam Speaker, it was brought to the attention of the Ministry by the Health Insurance Commission Board that while the Health Insurance Commission collects the monies paid into the fund, as stated before, the segregated insurance fund does not hold

any cash and all monies received by the fund are remitted to the Ministry of Health and Culture. The Health Insurance Commission does not make payments of claims arising in connection with the treatment of indigent persons.

Madam Speaker, for emphasis, the Health Insurance Commission does not manage the funds received, but is responsible for the collection of the sums due by the approved insurers.

Clause 3 of the amending Bill proposes to amend section 8 by inserting the wording: “(2A) In managing the collection of sums due to the segregated insurance fund, the Commission shall collect all sums due to the fund and remit the sums to the Ministry responsible for health insurance.”

In addition, the words “In managing the segregated insurance fund the Commission shall” have been deleted and replaced with “*The Ministry responsible for health insurance shall manage the segregated insurance fund and, in managing the fund, the Ministry shall.*”

Madam Speaker, because the Health Insurance Commission does not pay the claims arising in connection with the treatment and care of indigent persons it is unable to account for all monies paid and/or collected under the Law. Because of existing arrangements for expending the funds the Health Insurance Commission is unable to manage the funds as well as there is no separate account to receive the funds from the approved insurers. In this regard, therefore, the Health Insurance Commission is unable to fully comply with the provisions of the current legislation.

Madam Speaker, the final amendment to this Bill is to repeal section 8 (4), which states, “The segregated insurance fund shall be maintained and administered by the Commission which shall exercise the care, diligence and skill in the management of the fund that persons of ordinary prudence would exercise in dealing with the property of another.”

Madam Speaker, this section will be substituted with the following: “*The Commission shall exercise due care and diligence in collecting from an approved insurer, sums due to the segregated insurance fund.*”

Again, Madam Speaker, the responsibility for the management and administration of the fund is neither the role nor the function of the Health Insurance Commission. However, the Health Insurance Commission will continue to exercise due care and diligence in collecting the payments from each approved insurer for the segregated insurance fund in accordance with the Law and to comply with the Office of the Auditor General.

Madam Speaker, the proposed amendments better reflect the roles and responsibilities of the Health Insurance Commission in the collection of monies paid into the segregated insurance fund.

These amendments represent the efforts of the Health Insurance Commission Board, the Superin-

tendent of Health Insurance, the Ministry of Health and Culture staff, and the staff of the Legal Drafting Department. I wish to take this opportunity to thank them all.

And so, Madam Speaker, with those few explanatory remarks I look forward to receiving the support of my colleagues in this Honourable House so that these important amendments can be brought into effect.

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

I recognise the Honourable Premier.

The Premier, Hon. Alden M. McLaughlin: Madam Speaker, I just wish to thank all Members of this Honourable House for their tacit support of the Bill.

The Speaker: The question is that a Bill shortly entitled the Health Insurance Commission (Amendment) Bill 2016 be given a second reading.

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

AYES.

The Speaker: The Ayes have it.

Agreed: The Health Insurance Commission (Amendment) Bill 2016, given a second reading.

SECOND READING

HEALTH INSURANCE (AMENDMENT) BILL, 2016

The Clerk: The Health Insurance (Amendment) Bill 2016.

The Speaker: I recognise the Honourable Premier.

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

Madam Speaker, I beg to move the Health Insurance (Amendment) Law, 2016.

The Speaker: The Bill has been duly moved.

Does the Honourable Premier wish to speak to it?

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

Madam Speaker, as you may be aware between 2010 and 2012 the Ministry of Health undertook a comprehensive review of the Health Insurance Law and the Health Insurance Regulations. This review was undertaken in consultation with the Health Insurance Commission, the Health Insurance Standing Committee, healthcare providers and other relevant stakeholders in an effort to identify the gaps that ex-

isted between the current legislation and the current trends.

The health insurance legislation has been in effect for over 15 years, allowing us the opportunity to review our experience to assess what works and what does not work. The legislation has to be responsive to our needs. Some Members of this House were here when the amendments to the Health Insurance Law and the Health Insurance Regulations were brought and approved in 2013. Members may recall that the amendments were quite broad, as would be expected from a comprehensive review. We have now had the benefit of those amendments being in effect for a few years and this has helped us identify where further amendments are required.

Madam Speaker, I want to emphasise that the amendments contained in this Bill before the House are not the result of a comprehensive review of the legislation, but rather a few targeted amendments that have been identified and warrant immediate action rather than waiting for the completion of another comprehensive review.

Clause 1 of the Bill provides the citation and the title, Health Insurance (Amendment) Law 2016.

Clause 2 amends section 5 subsection (3) of the Law by inserting after paragraph (g) the following paragraph: "(ga) each past Speaker who was not a member of the Legislative Assembly;"

Madam Speaker, it was brought to the attention of the Ministry by the Portfolio of the Civil Service that there were former Speakers and Parliamentarians that did not have post-retirement health insurance coverage. It appears that this was an oversight in the legislation as there is a provision under the Health Insurance Law for coverage of a non-elected Speaker during active service, but no coverage for a past Speaker who is not a Member of the Legislative Assembly. These amendments seek to regularise this situation.

Clause 3 validates the non-payment of various amounts payable into the segregated insurance fund by introducing the wording:

"(1) The non-payment and non-collection of any amounts—

"(a) specified in regulation 5(1)(a) and (b) of the Health Insurance Regulations (2013 Revision); and

"(b) relating to premiums charged by Cayman Islands National Insurance Company during the operative period in respect of an insured person, other than an insured person who is specified in section 5(3)(a) to (i) or (4)(a) to (e) of the Health Insurance Law (2013 Revision)."

Madam Speaker, the segregated insurance fund was established under the Health Insurance Commission Law (2010 Revision), and is maintained and administered by the Health Insurance Commission. The fund's primary function is to assist the Gov-

ernment with the cost incurred for providing medical treatment to indigents.

Madam Speaker, all approved health insurance providers, including the Cayman Islands National Insurance Company, are required to collect the contributions from policy holders and make payments into the segregated insurance fund—\$10 per month of each premium charged under each standard health insurance contract for individual policy holders with no dependents and \$20 per month of each premium charged under each standard health insurance contract for individual policy holders with dependents.

Madam Speaker, since the 1st July 2014, CINICO has contributed to the segregated insurance fund only for those policy holders under the standard health insurance contract plans and for policy holders employed with the statutory authorities and government companies. As I outlined to Members earlier when I tabled the Health Insurance (Amendment) Regulations, this was a result of a policy decision to eliminate the left pocket to right pocket transactions that were occurring and to better reflect expenditure by only accounting for it when it was spent on indigent care rather than counting it when it was paid to CINICO and again when it was paid out for indigent healthcare.

The introduction of the validation provision allows for the non-payment of contributions from CINICO and the non-collection of contributions by the Health Insurance Commission from CINICO from 1st July 2014, which was the result of this policy decision by Government.

Madam Speaker, the proposed amendments to the Health Insurance Law will help to rationalise the non-collection of the segregated insurance fund from CINICO for certain categories of the plans offered as well as to ensure that persons who have served their country with distinction have access to the same level of benefits and health insurance coverage as their counterparts.

Madam Speaker, these amendments represent the efforts of the Portfolio of the Civil Service, the Superintendent of Health Insurance and his team, the Health Insurance Commission, my Ministry staff and the staff of the Legal Drafting Department. I wish to take this opportunity to thank them all.

And Madam Speaker, I look forward to receiving the support of my colleagues in this Honourable House so that these important amendments may be brought into effect

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

I recognise the First Elected Member for the district of Bodden Town.

Hon. Anthony S. Eden: Thank you, Madam Speaker.

I rise to give my full support to the amending legislation, especially for the amendment for past Speakers who were not Members of this House. I

know we have talked about this at caucus when we were there, and I am very happy to see, and I know I can speak on behalf of my other three Bodden Town colleagues who also lobbied that this be dealt with.

I would also like to thank the Deputy Governor for the effort and I know he has been trying to deal with this for some time, and I just want to say on behalf of this side of the House that we are grateful that this has now come before the House. We give it our full support.

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

I recognise the Honourable Premier.

The Premier, Hon. Alden M. McLaughlin: Madam Speaker, I wish to thank the Member for Bodden Town who spoke, the Honourable Deputy Speaker, for his expressed support for the Bill and all other Members for their tacit support.

The Speaker: The question is that a Bill shortly entitled the Health Insurance (Amendment) Bill, 2016, be given a second reading.

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

Ayes.

The Speaker: The Ayes have it.

Agreed: The Health Insurance (Amendment) Bill, 2016, given a second reading.

SECOND READING

HEALTH SERVICES AUTHORITY (AMENDMENT) BILL, 2016

The Speaker: I recognise the Honourable Premier.

The Premier, Hon. Alden M. McLaughlin: Madam Speaker, I beg to move the Health Services Authority (Amendment) Bill, 2016.

The Speaker: The Bill has been duly moved.

Does the Honourable Premier wish to speak to it?

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

Madam Speaker, this proposed amendment is being brought in consequence of findings by the Grand Court . . . a judgement by the Grand Court, I should say, with respect to the effect of section 12(3) of the Health Services Authority Law.

Before I go into it to that detail, Madam Speaker, I would just like to give the following background:

The Health Services Authority was established in 2002 to ensure that a high quality of cost effective and efficient care is available to the people of the Cayman Islands. The Authority is the sole provider of healthcare services in the public system. The mission of the Health Services Authority is “to provide the highest quality healthcare and improve the well-being of people in the Cayman Islands through accessible, sustainable, patient-focused services by highly skilled, empowered and caring staff in collaboration with our partners.”

The Health Services Authority is the Government’s primary provider of healthcare services in the Cayman Islands; providing services through facilities on Grand Cayman, Cayman Brac and Little Cayman. The Health Services Authority operates six district health centres; five in Grand Cayman and one in Little Cayman.

Madam Speaker, the Health Services Authority offers a full range of comprehensive in-patient and out-patient services designed to meet the needs of patient surgeries, seriously ill patients, urgent medical care, general medical conditions, community health, dental and eye health, support for mental health services, sick children, and expectant mothers.

Madam Speaker, on the 19th February, 2016, in a case before the Grand Court of the Cayman Islands between Donnette Thompson (Plaintiff) and the Cayman Islands Health Services Authority and Dr. Gilbertha Alexander, the Grand Court, the Judge in that instance, the Honourable Justice Richard Williams made an important ruling, which I alluded to just now.

The judgment, Madam Speaker, is Cause No. 190 of 2013 (for the record) and the judgment runs to some 82 pages of fairly small print. I thought briefly about it but I decided that I would not read the whole judgment for the benefit of the House, but would simply refer to what I consider to be the relevant paragraphs that deal with this issue affecting section 12 of the Health Services Authority Law.

Madam Speaker, at page 70 of the Judgment at paragraph 118 the Learned Justice said the following (and I am quoting from the Judgment):

“Having conducted a greater review of the principles of statutory interpretation when considering s.12 HSAL 2004 than that undertaken by Panton J. in *McCoy*, due to the more comprehensive submissions made by the parties before me, I still reach the same conclusion as him, namely that s.12 HSAL 2004 is clear and, in the absence of bad faith, the section debars claims in medical negligence. As already stated, although I feel uncomfortable with such immunity and although the consequences of the Defendants’ interpretation are troubling I do not find that they would lead to an absurdity. When I reach this conclusion I endorse the observations of Murphy J. In the *Estate of B* [1999] CILR 460 in which he found that the

relevant section of the Succession Law was clear and unambiguous and that the Court was bound to accord to its plain reading despite it unfortunately resulting in two illegitimate children being unable to claim rights arising upon the intestacy of their deceased father. Murphy J. stated at page 467, line 42:

“That result may not be fair. It may point to a lacuna in our law. It may not accord with the values and mores of our society in the 21st century. Those are not my direct concerns as a judge. I may have my own views and they may not accord with what I have decided. That is irrelevant. My function is to apply what I perceive the law to be and I have done that. My function is not that of a social engineer or to impose my own values by creative judicial interpretation. If there is to be reform in this area, that is for the legislature, not for me.”

And then at paragraph 119, Madam Speaker, the Learned Justice goes on:

“Although the unambiguous and clear words in s.12 HSAL 2004 may be consistent with the Legislature’s cost cutting and protective public policy prevailing eleven years ago at the time of its enactment, a later Government may feel it appropriate to openly clarify to the voting and wider public, who it is obligated to serve and protect, whether its declared policy is to retain legislation that denies remedies in tort for medical negligence against the Authority, its directors and its employees and to explain the justification for such a policy at this time. In light of the oft expressed view that civil liability can be regarded as an important mechanism to ensure quality of health service, one might ask whether such immunity from claims in damages for the Authority, its Directors and employees inspires or hinders patients’ confidence in the Authority and the services it offers.”

Madam Speaker, that encapsulates the issue or issues with which the Government has had to grapple.

And Madam Speaker, section 12 of the current Health Services Authority Law, which I just read what the Judge had to say about, provides that: **“Neither the Authority, nor any director or employee of the Authority, nor any Committee member, shall be liable in damages for anything done or omitted in the discharge of their respective functions or duties unless it is shown that the act or omission was in bad faith.”**

As so Madam Speaker, the result is that regardless of the level of negligence which it may be determined, occurred with respect to actions taken by any employees, doctors, nurses, other staff, or Directors of the Health Services Authority, no cause of action can properly lie with respect to that negligence

because the effect of section 12(3) as presently constituted debars such action.

Madam Speaker, as a matter of public policy it is not the intention of this Government to block patients who believe they have suffered negligent care at the Health Services Authority from the right to sue. Why should we shield public agencies or employees of such agencies from accountability for errors or accidents?

Madam Speaker, in the view of this Administration, this is wrong. There should be no wrong without redress. Furthermore, under the Health Practice Law all healthcare practitioners are required to have malpractice insurance prior to receiving a licence to practice in the Cayman Islands.

Madam Speaker, it is more than unfortunate that this provision exists in the current legislation.

Madam Speaker, I was here when the amending bill was brought which gave this immunity . . . conferred this immunity on the Authority, its employees and Directors. So Madam Speaker, was the current Minister of Planning (who was then Leader of the Opposition); so was the Honourable Deputy Speaker, and so was the Honourable Leader of the Opposition (who was then the Leader of Government business) as well as the Member for East End. I do not know how many of them remember that debate, quite frankly, I had forgotten it until I was reminded.

And the really sad thing, Madam Speaker, is that we warned the then Government and the Minister in particular, about the potential consequences of this provision, but the Government insisted that it was necessary and so the amendment was made.

Madam Speaker, I have turned up the Official Hansard Report of that fateful day, Monday 13 December 2004 and it is very instructive.

The Minister for Health at the time, then Honourable Gilbert A. McLean introduced the Bill with a very short speech in this House.

And Madam Speaker, with your leave, I would like to refer to those Hansards.

The Speaker: Leave granted.

The Premier, Hon. Alden M. McLaughlin: The Honourable Gilbert McLean said, after the Speaker said, "The Bill has been duly moved. Does the mover wish to speak thereto?"

"Thank you, Mr. Speaker. Over two years ago, I stood in this Honourable House and proposed to establish a Health Services Authority as a long term flexible frame work for an organisation aiming to provide the highest standards of patient care for the people of these Islands at the best possible cost. Changing the Health Services Department to an Authority was not a panacea. It has not solved all the problems or completely eliminated the spiralling cost of healthcare. However, good things have, and continue to occur as a re-

sult of this significant organisational change. The key to creating and sustaining a successful 21st century organisation is leadership. Not only at the top of the hierarchy but also throughout the entire entity.

"During and after the passage of Hurricane Ivan, the benefit of giving greater authority and decision-making power to healthcare workers, that is, the persons who have direct contact with patients, was very evident. It would be remiss of me if I did not take this opportunity to again publicly commend Mrs. Eloise Reid, Chief Executive Officer, and the staff of the Authority for their outstanding work in keeping The Cayman Islands Hospital operational under extremely difficult circumstances.

"Like any other private entity, the Health Services Authority has a Board of Directors that is responsible for the policy and general administration of the affairs and business of the organisation. Board Members who hold office at the pleasure of the Governor in Cabinet carry a heavy responsibility, both to the Authority and to the public which they serve. The time and energy required of Board Members is substantial and the remuneration is small. It is, therefore vital that we do everything possible to minimise the risk of personal liability of persons willing to volunteer their time and skills to serve on boards.

"This Bill proposes to amend the Health Services Authority Law (2003 Revision) to change the immunity provisions of the Law as well as to provide an indemnity section by repealing section 12 and substituting the following section: 'Neither the Authority, nor any director or employee of the Authority, shall be liable for damages for anything done or omitted in the discharge of their respective functions or duties unless it is shown that the act or omission was in bad faith.'

"After section 12, the following is proposed to be inserted at 12(a): 'The Authority shall indemnify a director against all claims, damages, costs, charges or expenses incurred by that director in the discharge of his functions or duties except claims, damages, costs, charges or expenses caused by the bad faith of that director.'

"The Bill also amends Schedule 1 which sets out the properties vested in the Health Services Authority. The property known as Dr. Hortor Memorial Site was transferred by the Authority with the approval of Cabinet to the National Housing and Community Development Trust for the purposes of housing development and therefore it is necessary to amend the schedule. I believe that this Bill strikes an acceptable balance between ensuring that the Health Services Authority Board is held accountable for its activities, and affording protection to individual Board Members who con-

scientifically carry out their community service mandate.

“Mr. Speaker, having made those brief remarks, I recommend this Bill to Honourable Members for the reasons stated.”

Madam Speaker, first up was the Honourable D. Kurt Tibbetts, then Leader of the Opposition, who went through the Bill and noted, Madam Speaker . . . I am not going to read his entire contribution, but the bit that is relevant to this particular point:

“The proposed change which would seek to repeal what I . . .” (well, I don’t need to read that). **“Now, the existing Law, the main Law’s section 12 which is being sought to be repealed reads as follows, with your permission: ‘Neither the Authority, nor any director or employee of the Authority, shall be liable in damages for anything done or omitted in the discharge or purported discharge of their respective functions under this Law unless it is shown that the act or omission resulted from their dishonesty, fraud or wilful neglect.’”**

The Honourable Member went on:

“The proposed change which would seek to repeal what I just read, reads similar to a point except it deletes ‘or purported discharge’ and after ‘of their respective functions’ adds ‘or duties’ and at the very end where it speaks of ‘resulted from their dishonesty, fraud or wilful neglect,’ they seek to dislodge that and simply say ‘was in bad faith.’ So, Mr. Speaker, dishonesty, fraud or wilful neglect seems to be a part of bad faith but when they make the sweeping statement ‘was in bad faith’ it seems to me that what is being sought is other bad faith besides dishonesty, fraud or wilful neglect. We need to understand what that means.”

Madam Speaker, I spoke next and I said the following (I am just going to read some excerpts):

“Thank you, Mr. Speaker.” (This is at page 512 of the Hansards for that same date, Monday 13 December 2004.) **“Thank you, Mr. Speaker. As I look at this short amending Bill, in particular section 2, which proposes to delete and repeal section 12 and substitute a new provision, I am reminded of the old adage that the ‘chickens do come home to roost.’ This provision I will term the ‘Elliott amendment,’ for it appears to me, Mr. Speaker, that this attempt to provide both ‘belt and braces’ to the immunity and indemnity of the Directors of the Health Services Authority has been brought about by concerns that they may face liability in light of the lawsuit that has been brought by Mr. Elliott against the Health Services [Authority].”**

And then I went on to talk about that suit, Madam Speaker, and continued down the page:

“I believe, one of the immediate consequences, is that this Honourable House is now being asked to amend the Health Services Authority Law. It seems to provide or to make provision

for holding members, directors or employees of the Health Services Authority harmless. I think in particular the provision that is now proposed, the amendment for section 12, the replacement for section 12 speaks to both directors and employees. What I have been unable to determine is why such an amendment is necessary. Unless there is some concern by directors or employees of the Authority that something they did or did not do may result in them being found personally responsible for cost or damages awarded by the court in relation to the Elliott litigation. Indeed, any other litigation.”

And then I went on, Madam Speaker:

“As the Leader of Opposition has pointed out, no explanation has been given to this Honourable House as to the distinction between ‘bad faith’, which is the pro-posed change, and ‘dishonesty, fraud, or wilful neglect.’

“Personally, I would have great difficulty, particularly knowing something about the background of this proposal, to amend the Law at this stage, to give the directors and/or employees of the Authority, additional protection and indemnity by the Government by changing this subsection. The result of providing immunity or indemnity to the directors or employees is essentially saying whatever you have done, as long as it was not in bad faith, the government will become financially responsible. If employees and directors have done something which is, to use current words of the section, dishonest, fraudulent or wilfully neglectful, then in my respectful view, they ought to be held liable for it.

“This was an extraordinary contract, the highest sum I believe ever paid to a public servant in these Islands. There were complaints, questions throughout the community, in particular in this Honourable House, about this matter. It was an unusual case. The Government is now coming down here this afternoon, expecting this House to sanction retrospectively what directors or employees may or may not have done in relation to the award of this contract.”

And then, Madam Speaker, I was interrupted on a point of order by the Minister for Health who said that I was inferring or imputing an improper motive to the Minister. And I had to, Madam Speaker, seek to comfort him that that was not the case at all. And I said, Madam Speaker:

“I certainly was not imputing any improper motive on behalf of the Minister. I take issue with the Government bringing this Bill at this time. However that is a very different thing from seeking to impute anything improper at all to my good friend, the Minister of Health.”

And Madam Speaker, I concluded in this way:

“Thank you, Mr. Speaker, I am grateful to you. This whole question about the responsibili-

ties of directors, in particular is one I believe, on which considerable education is needed. It often seems to me that people accept these roles as directors of Statutory Authorities, without understanding the tremendous responsibility that goes along with that. There is a fiduciary duty that is imposed in relation to the company as a result of someone becoming a director. That duty requires the individual who is the director to act in the utmost good faith, to act with diligence, to act with caution, to act responsibly generally. It is the directors who make the decisions, whether they are in relation to the hiring or firing of people or to what direction the Authority takes in relation to any matter.

“I believe it is fundamentally wrong to permit any director or employee to have such a blanket immunity or indemnity. That essentially allows them ‘an out,’ no matter what they do, unless it is the most blatant and flagrant case which could possibly be termed as bad faith.

“Section 12 as it currently stands, in my respectful view, provides the necessary and proper immunity and indemnity. The law ought not to go further.”

And I concluded with this line:

“If directors of the (Health Services Authority) HSA have acted improperly, have not carried out their statutory duty and function in accordance with the law, then they ought to pay for it. Government ought not to be holding the bag for that because I remind all Honourable Members of this House; it is ultimately the people of this country who contribute to the revenue of this country and of the Government, who are going to pick up the tab.”

“The result of the section, henceforth and hereafter, is that all directors and employees of the Authority, unless it is possible to show that they have acted or not acted in bad faith, are going to be relieved of any responsibility, that they otherwise would have had under the current legislation, as section 12 presently stands.

“That is the result of the proposed amendment and I believe that the country and Honourable House are owed a proper explanation by the Honourable Minister as to the reasons for this fundamental, radical change. None has been provided; therefore I believe we can be forgiven for having questions about the purpose behind the proposed amendment. I can say that unless a proper, clear, forthright response is forthcoming by the Honourable Minister, this Bill will not receive my support.”

Madam Speaker, I have read that at length because the former Minister and the Leader of the Opposition have gone on record in public forums to say it was not the intention of that administration to confer the immunity which is currently provided in sec-

tion 12(3) or by section 12(3) on employees of the Health Services Authority. The Hansards which I have just read, gives the lie to that.

And so, Madam Speaker, the Leader of the Opposition has now filed a Private Members’ Motion seeking to make changes to section 12(3), but it is important that he and the Minister, at the time, acknowledge and accept their full responsibility for the situation which the Government now faces.

Madam Speaker, I am conscious of your need to leave at 7:30 pm, I am only about halfway through my debate on this important Bill, and so I would be more than happy to adjourn the House until 10 am tomorrow morning to accommodate your other engagement.

ADJOURNMENT

The Speaker: The question is that the House be adjourned until 10 am tomorrow.

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

AYES.

The Speaker: The Ayes have it.

At 7.36 pm the House stood adjourned until 10 am, Thursday, 28 April, 2016.