



# **PARLIAMENT OF THE CAYMAN ISLANDS**

## **OFFICIAL HANSARD REPORT**

**First Meeting of the 2021/2022 Session**  
*First Sitting*

**Wednesday**  
**14 July, 2021**  
*(Pages 1-31)*

**Hon. W. McKeeva Bush, OBE, JP, MP,**  
**Speaker**

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PRESENT WERE:

MINISTERS OF THE CABINET

Hon G Wayne Panton, JP, MP	<i>Premier</i> , Minister for Cabinet Office <i>and</i> Sustainability and Climate Resiliency —“MSCR”
Hon Christopher S Saunders, MP	<i>Deputy Premier</i> , Minister for Finance and Economic Development <i>and</i> Border Control and Labour — “FEDBCL”
Hon Juliana Y O’Connor-Connolly, JP, MP	Minister for Education <i>and</i> District Administration and Lands — “EDAL”
Hon Bernie A Bush, MP	Minister for Home Affairs, Youth, Sports, Culture and Heritage — “HAYSCH”
Hon Kenneth V Bryan, MP	Minister for Tourism and Transport — “T and T”
Hon André M Ebanks, MP	Minister for Financial Services and Commerce — “FSC” <i>and</i> Investment, Innovation and Social Development — “IISD”
Hon Sabrina T Turner, MP	Minister for Health and Wellness — “MOH”
Hon Johany S “Jay” Ebanks, MP	Minister for Planning, Agriculture, Housing, and Infrastructure — “PAHI”

EX OFFICIO MEMBERS OF THE CABINET

Hon Franz I Manderson, MBE, Cert Hon, JP	<i>Deputy Governor</i> , ex officio Member responsible for the Portfolio of the Civil Service
Hon Samuel W Bulgin, QC, JP	<i>Attorney General</i> , ex officio Member responsible for the Portfolio of Legal Affairs

ELECTED MEMBERS  
GOVERNMENT BACKBENCHERS

Hon Katherine A Ebanks-Wilks, MP	<i>Deputy Speaker</i> , Parliamentary Secretary to FSC and EDAL
Ms Heather D Bodden, JP, MP	Parliamentary Secretary to T&T and IISD, Elected Member for Savannah
Mr Isaac D Rankine, MP	Parliamentary Secretary to HAYSCH and PAHI, Elected Member for East End

OPPOSITION MEMBERS

Hon Roy M McTaggart, JP, MP	<i>Leader of the Opposition</i> , Elected Member for George Town East
Mr Joseph X Hew, MP	<i>Deputy Leader of the Opposition</i> , Elected Member for George Town North
Hon Alden McLaughlin, MBE, JP, MP	Elected Member for Red Bay
Mr Moses I Kirkconnell, JP, MP	Elected Member for Cayman Brac West and Little Cayman
Ms Barbara E Conolly, JP, MP	Elected Member for George Town South
Mr David C Wight, JP, MP	Elected Member for George Town West

INDEPENDENT MEMBER

Mr Dwayne S Seymour, JP, MP	Elected Member for Bodden Town East
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**OFFICIAL HANSARD REPORT**  
**FIRST MEETING 2021/22 SESSION**  
**WEDNESDAY**  
**14 JULY 2021**  
**10:07 AM**  
*First Sitting*

*[Hon. W. McKeeva Bush, Speaker, presiding]*

**The Speaker:** Good morning.

I call on the Honourable Premier to say prayers this morning.

**PRAYERS**

**The Premier, Hon. G. Wayne Panton, Minister of Cabinet Office and Minister of Sustainability and Climate Resiliency:** Good morning colleagues. 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 Parliament 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; Charles, Prince of Wales; and all the Royal Family. Give grace to all who exercise authority in our Commonwealth, that peace and happiness, truth and justice, religion and piety may be established among us. Especially we pray for the Governor of our Islands, the Speaker of the Parliament, the Leader of the Opposition, Members of the Cabinet, Ex-officio Members and Members of the Parliament; the Chief Justice and members of the Judiciary, that we may be enabled faithfully to perform the responsible duties of our high office. All this we ask for in Thy great Name's sake.*

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

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

*Amen.*

**The Speaker:** This honourable Parliament now resumes its sitting.

Please be seated.

**ADMINISTRATION OF OATHS  
OR AFFIRMATIONS**

**The Speaker:** None.

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

**The Speaker:** Honourable Members, today as we meet to conduct an important parliamentary business of our Islands, we do so in full enjoyment of our Constitution, the rule of law, freedom and democracy. These are tenets and principles which have been hard fought for by our predecessors and it is our duty to ensure that we protect our parliamentary democracy for future generations to come. I make this statement because of the harsh reality facing some of our neighbours today.

The unprecedented situation in our neighbour to the north, Cuba, is one which we must carefully observe for we have strong, many strong familial links and connections there and history has taught us that similar uprisings have had a direct and severe impact on our community here. Let us remember the people of Cuba in our prayers as they face not political matters, but the savage matters of COVID.

We have started a drive for assistance for Cuba; there are thousands of people in need and we hope to have the cooperation of the Cuban government in getting supplies directly to the people that are in need thereof.

This morning I also wish to place on the record, our profound shock and sadness at the assassination of a member of a CARICOM family, the president of Haiti, His Excellency Jovenel Moïse in an armed assault on his home during the early hours of Wednesday, the 7<sup>th</sup> July, 2021 which also injured the First Lady, Her Excellency Martine Moïse.

While I did not have the pleasure of knowing him personally, I believe that some Members of Parliament may have had an opportunity to meet and interact with him during regional CARICOM meetings in the past; nevertheless the people of Haiti, who seemingly have had no end to their national suffering, have been once again visited by tragedy, loss, and instability.

I note that the Honourable Premier immediately issued an official statement extending sympathies

on behalf of the Government and people of the Cayman Islands and that we join the region in lowering flags to half-mast for three days and will again do so on the day of President Moïse's funeral.

Let us not be misguided into thinking that we are far removed from these problems. Our region is smaller than we think, and some would like us to believe that we are not a part of this region but colleagues, we are a part—have always been a part—and we cannot get away from the familial links that we have in our region. So we believe, that a breakdown in the rule of law in our neighbours does not bode well for us; we are not as insulated from the fallout as one might hope. I have served here long enough to have been a minister that had to deal with these kinds of fallout, and it didn't bode well for our social services.

I therefore ask, prior to formal commencement of today's proceedings, that all Members rise to observe a minute of silence as a mark of respect for the untimely passing of one of our regional leaders. May God continue to bless the people of Haiti and peace, justice—and indeed stability—come to that weary, weary, land.

Let us rise for a minute.

**MINUTE OF SILENCE**  
*(for His Excellency Jovenel Moïse)*

**The Speaker:** Please be seated. Thank you very much.

Now for a more pleasant announcement: Honourable Members, as I rise, it behoves me to recognise the Prime Minister of Jamaica who has been appointed to the United Kingdom's Privy Council.

As a personal friend, and as the Speaker of this august House of Parliament, it is duly fitting and appropriate to publicly acknowledge this significant achievement. It gives me great pride and distinct pleasure to learn of his instalment by Her Majesty the Queen, to the Privy Council. Undoubtedly, accolades are in order as his accepted form of address is now, the Most Honourable Andrew Holness, ON, PC, MP, Prime Minister.

It was commendable to have read that Her Majesty the Queen has been graciously pleased to approve that the Prime Minister be appointed a member of Her Majesty's Most Honourable Privy Council. Evidently, this sends a clear, strong, and convincing message of the calibre and erudite mind which the Privy Council seeks and will rely on for guidance and advice.

The Prime Minister is beyond doubt, a stalwart and a Nation-builder who will be able to analyse, distil and deliberate on difficult issues which the Committee may face, and make cogent and rational decisions and recommendations for the better good of governance. These views and ultimate decisions by the Queen, will be authoritative and mandatory within the perspective of Commonwealth Territory and binding in some jurisdictions.

It is worthy to mention that it has been an inordinate and protracted time, I should say, since a Prime Minister of the Caribbean has been appointed. It is a magnanimous and significant achievement at this time, as the Prime Minister is now deemed an active member and participant of the body of officials and dignitaries chosen by the British Monarch as an Advisory Council to the Crown. His influence and decisions can be far-reaching and have both regional and international impact, and potential global effect.

I am confident he will serve judiciously as the Most Honourable Prime Minister of Jamaica, as the representative of his people in a parliamentary democracy system based upon the British Westminster Model, and as a Member of the British Commonwealth. He is highly respected and sought after in the Caribbean region, the wider diaspora, and throughout the Commonwealth.

To that end, this appointment is a clear indication of his value and contribution to societies and influencing authorities to govern various jurisdictions. With his astute and reasonable mind, he will serve in that capacity profoundly with distinction. We are confident and equally proud, that as a noble and Honourable Leader, he will represent the Caribbean region and the diaspora most admirably, and in the interest of all people.

I have sent a letter accordingly, as this message will also be sent on behalf of this honourable House.

*[Pause]*

**The Speaker:** Members, now for a more tedious but important message as we meet for the first time for business and some Members are not aware as yet of the rules and conventions of this House.

So, Honourable colleagues, today to begin our first business sitting, I wish to address several matters of procedures that are spelled out in our Standing Orders, and in the rules and conventions of the orders of the House of Commons in the United Kingdom and other Commonwealth countries that we usually adhere to rules and convention.

Our Standing Orders protect your right as Members to debate, but there are constraints and rules to which you must adhere. The rules must be strictly followed no matter your opinion and the subject being debated. The debate must be relevant to the matters before the House.

No one will be allowed to accuse our insult fellow Members or the Chair, not even with just one word, while standing, sitting or speaking, when called upon by the Speaker. The word "coward", for instance, when spoken and directed to any Member, whether on the backbench, Government or Opposition, is a good example. Words spoken in this House, even if not repeated in the written Hansard, can damage and hurt, particularly, in our small community.

Members should be aware of the protection we have when speaking, because there is Parliamentary Privilege, but it is exactly that protection that dictates decency and truth, not speculation—and I repeat that: not speculation or hear-say.

It should be understood by everyone that ours is still not a sovereign Parliament, but still a legislature with powers of representation. If a matter is not addressed in our local Standing Orders or our Immunities, Powers and Privileges Law, we must turn to the orders of the House of Commons of the United Kingdom and other such established Parliaments to ensure conformity of Parliamentary rules and control. Parliamentary Privilege is the sum of the peculiar rights enjoyed by you as Members of this honourable House, without which you could not discharge your functions. That privilege cannot, and must not, be abused.

Members, or those outside the House who disregard these rights and immunities are in breach of privileges and can be punished. This applies to the media and any other entity or person. The Parliament has the right to punish actions that obstruct or impede the Parliament in the performance of its functions, and are contemptible offences against this authority. These include disobedience to legitimate commands, and do liable the House, its Members, or its Officers, which include the Clerk and the Serjeant-at-Arms. The protection that absolute privilege gives, must not be abused.

Some people believe that it is not the duty of the media to publish accurate accounts of the House, but only the accounts that suit them, and we see that many times in this country. No reasonable person would deny that some care must be taken by the media, lest it appears that “food for gossip” is being provided under legitimate guise. It is one thing to report debates of the Parliament as a matter of public interest, but it is quite another, for the media to carry any irresponsible or scandalous words that may happen to fall from the lips of the Members speaking in the Parliament, whether they are relevant to the matter being debated or not—doing so helps spread scandals across the Islands without consideration of the victim.

In my opinion, the media should act responsibly in these matters. If a Member does abuse his privileges, not for making a real contribution to the question being debated, but as a license to speak irresponsibly about someone, and especially someone who has no standing here and cannot defend themselves, the media should not add to the wrong by casting open the windows of this House and letting the world know about it. Media that regards a man’s reputation so lightly, as to publicise charges of dishonesty or underhanded behaviour of some kind without even the slightest evidence, has little to complain about if made to make a substantial payment in redress through the courts.

The same principle would apply if the words were recorded and subsequently ordered to be expunged and not available for re-broadcast or as part of the written Official Report.

It is the practice of the House to not publish scurrilous language used in debate and even though we have immediate publication, those who are responsible ought to take being responsible and understand that when the Chair says a matter is expunged, it is not carried by any media.

Honourable Members must observe Standing Orders, particularly Rules of Debate, as found on page 24 of our Standing Orders, at the beginning of section 32, ending at section 39 on page 27.

I must ask you to pay very close attention to the Enforcement of Orders, beginning at section 40 on page 27 and ending at section 41, sub-section 14 on page 29, which I will take the time to read so one and all understand what enforcement under these orders mean.

Section 40 says:

**“The Presiding Officer is responsible for the observance of the rules of order in the House and in the Committees of the whole House respectively, and his decision upon any point of order shall not be open to appeal and shall not be reviewed by the House save upon a substantive motion made after notice.”**

Section 41 says:

- (1) **“The Presiding Officer, after having called the attention of the House, or of a Committee, to the conduct of a Member who persists in irrelevance or tedious repetition, either of his own arguments or of the arguments used by the other Members, may direct the Member to discontinue his speech and to resume his seat.**
- (2) **The Presiding Officer shall order any Member whose conduct is grossly disorderly to withdraw immediately from the House during the remainder of the day’s sitting and may direct such steps to be taken as are necessary to enforce that order.**
- (3) **If a direction to withdraw under paragraph (2) is not complied with at once, or if on any occasion the Presiding Officer thinks that his powers under that paragraph are inadequate, he may name such Member or Members in the manner provided by paragraph (4) or (5).**
- (4) **If a Member shows disregard for the authority of the Chair, or abuses the rules of the House by persistently and wilfully obstructing its business, or otherwise,**

- the Presiding Officer shall direct the attention of the House to the incident, mentioning by name the Member concerned. The Presiding Officer shall then call upon a Member of the Government to move “That the Honourable Member for ..... (*pointing out the respective constituency*) be suspended from the service of the House”, and the Presiding Officer shall forthwith put the question, no seconder being required and no amendment, adjournment or debate being allowed.
- (5) If the offence has been committed in a Committee of the whole House, the Chairman shall forthwith suspend the proceedings of the Committee and, as soon as the House has resumed, report the circumstances to the House, and follow the procedure provided by paragraph (4).
- (6) If a Member is suspended under any provision hereof, his suspension on the first occasion in any meeting shall continue for one day, on the second occasion for two days, and on a third or subsequent occasion for the duration of that meeting and the subsequent meeting.
- (7) Not more than one Member shall be named at the same time, unless several Members present together have jointly disregarded the authority of the Chair.
- (8) A Member who is suspended under paragraphs (4) and (6) or is directed to withdraw under paragraph (2) shall forthwith leave the House and its precincts.
- (9) If any Member who has been directed to withdraw or has been suspended under this Standing Order, refuses or neglects to obey the direction of the Presiding Officer in that behalf, the Presiding Officer shall call the attention of the House to the fact that recourse to force is necessary in order to compel obedience to his direction, and that Member named by him as having so refused or neglected to obey his direction, shall thereupon, without further question put, be suspended from the service of the House during the remainder of the meeting or for ten days, whichever is the longer.
- (10) If resort to force if necessary, the Presiding Officer may suspend the sitting during the removal of the offending Member.
- (11) A Member who is directed to withdraw or who is suspended under this Standing Order shall not be entitled to attend the sitting from which he was directed to withdraw or, in a case of suspension, to attend any sitting or enter the precincts of the House until the termination of his suspension.
- (12) On receiving from a Member suspended under this Standing Order a written expression of regret, the Presiding Officer shall lay it before the House, and it shall be entered in the minutes of the proceedings. On a motion being made for the discharge of the order of suspension the question thereon shall be decided without the amendment or debate. If the question is agreed upon, the order shall be discharged and the Member readmitted.
- (13) In the case of grave disorder arising in the House, the Presiding Officer may, if he thinks it necessary, adjourn the House without question put or suspend the sitting for a time named by him.
- (14) Nothing in this Standing Order shall be taken to prevent the House from proceeding against any Member for any breach of order not herein specified.”

Honourable Members, at times, requests have been made to allow the use of Hansards—the Official Report of this Parliament—in certain court cases. I have taken [that] this is not allowed and there are reasons:

- It is precedence set down centuries ago;
- The House never loses its absolute privilege;
- There is no such thing as a waiver of Parliamentary privilege;
- The Official Report (the Hansard) cannot be replaced by the Court by another report;
- It is neither a substitute for tapes nor are tapes a substitute for the Hansard;
- The Official Report of the Parliament is “*sui generis*” [unique] (and you know I’m not a Latin-speaking person) and not an alternative to other documentation;
- The report is prepared under definitive principles and are not arbitrary or whimsical and are set out in published literature;

- It cannot be altered by order of a Court;
- It cannot be inquired into or challenged by a Court;
- The Hansard never loses its absolute privilege.

In the Commonwealth it is set down in Law, and Convention, that the proceedings in Parliament should not be impeached or questioned in any court, or any place for that matter, out of Parliament. This prevents proceedings in Parliament from being examined, questioned, or used to support causes. We must bear in mind the century's old convention that no civil or criminal proceedings may be instituted against any Member in respect of spoken or written words to the House or a committee.

Convention and Law says no evidence in relation to debates, minutes of evidence, any document, proceedings, or examinations before the House or a committee is admissible in any proceedings before a court or to a person authorised by law to take evidence, unless, permission has been given by the Speaker.

The strength of this traditional position of the convention is to protect the institution of Parliament, to prevent issues or conflicts with the courts, and to avoid the risk of any ill-conceived attempts to use Parliaments' proceedings for wrong private purposes. It also ensures a considerable level of formality and conformity in concepts of evidence and prevents skirmishing with the Parliament.

Also, it is not apparent in what circumstances audio, and/or video of proceedings of the House or the Committee can have probative value in Court used together with, or instead of, the Official Hansard's Report, nor can any proper purposes be served in using audio or video to supplement or contradict the Official Hansard's Report, to impact any legal proceedings unless the tapes are the Official Hansard Reports, and permission has been given by the presiding officer.

An official report of the Parliament on the "release of Hansards", is not prepared for use as evidence in a court of Law or anywhere else; nor is it other than what it sets out to be; substantially the verbatim report; nor will it ordinarily contain everything said by every Member during a sitting of the Parliament. Only the Member called by the Chair to speak has the Floor and should be and will be recorded.

The official report is evidence of what was said as reported in the Hansard. It cannot be used to prove anything else, is useless to establish truth of its contents and is a legal record of a sitting.

We do not allow the Hansard to reproduce comments from a sitting position. A Member's comments are recorded in the Hansard if he or she has been called upon to speak by the Chair, or if he makes a remark that is subsequently picked up by another Member and used in the debate. But a remark from the sitting position is not reproduced in the Hansard unless

we are in Committee, and although it may be broadcasted, it is not part of the Official Report.

When Members say things when not called upon, they are not reproduced in the Hansard. A Member may request it for use in the Parliament to prove what was said, because it could have been heard in broadcast, and needs to be addressed. A Member has that right but the Speaker has to give consent.

A Member must direct his or her speech to the questions under discussion or to a Point of Order. The precise relevance of an argument may not always be perceivable, but a Member must speak to the matter at hand, nothing else.

A Member who persists in irrelevance or tedious repetition may be directed by the Speaker to discontinue his speech and resume his seat. Conversations by Members near each other should be done in a whisper. This Chamber is a very confined area and loud voices do distract the Member speaking and Members who want to hear.

When the House is sitting and a Member wishes to enter the Chamber, they should bow to the Chair. On taking their seat, they should again bow to the Chair. If a Member wishes to leave their seat, they should bow to the Chair and if they wish to exit the Chamber, they should bow to the Chair. I should say to you that a nod of the head is sufficient. A bow from the middle is not necessary. It is not anything else but recognising the Chair.

Whenever the Speaker rises, there must be silence and any Member who is speaking or offering to speak should immediately sit down. Members should not leave their seats while the Speaker is addressing the House. They should not leave their seats while the Governor is addressing the House on the Throne Speech.

If a Member persists in standing after the Speaker has risen and refuses to resume his seat when directed by the Speaker to do so, he must withstand the Order of Suspension or can be named.

I direct your attention to the 24<sup>th</sup> Edition of Erskine May for your knowledge of the orders that will be directed against misconduct, some of which I have mentioned already.

Committees and witnesses of Committees may be subject to sections 9 and 12 of the Parliament's Immunities, Powers, and Privileges Law and can order any person to attend the committee to give evidence or produce documents in their possession or control.

Section 6 (1) of Immunities, Powers, and Privileges Law specifically says, *in reference to witnesses being notified by summons*:

**"Any order to attend, give evidence or produce documents before the Assembly [Parliament] or a committee shall be notified to the person required to attend or produce documents by a summons under the hand of the Clerk issued by the direction of the Speaker."**

Section 8 (1) and (2) of the Law states:

**“Where any person ordered to attend, give evidence or produce any paper, book, record or document before the Assembly [Parliament] refuses to answer any question put to him or to produce any such paper, book, record, or document on the ground that is of a private nature and does not affect the subject of enquiry, the Speaker may excuse the answering of such question or the production of such paper, book, record or document, or may order the answering or production thereof.”**

Section 8(2):

**“Where any person ordered to attend, give evidence or produce any paper, book, record or document before any Committee refuses to answer any question put to him or to produce any such paper, book, record or document on the ground that the same is of a private nature and does not affect the subject of enquiry, the chairman of the committee may report such refusal to the Speaker with the reasons therefor; and the Speaker may thereupon excuse the answering of such question or the production of such paper, book, record or document or order the answering or production thereof.”**

Section 9(1) and (2) of the law says:

**“Every person summoned to attend, give evidence, or produce any paper, book, record or document—such documents—before the Assembly—Parliament—or a committee is entitled, in respect of such evidence, the disclosure of any communication or the production of any such paper, book, record or document, to the same rights or privilege as before the Grand Court.**

Section 9(2) says:

**“Except with the consent of the Governor, no public officer shall -**

- a) **Produce before the Assembly—Parliament—or a committee any such paper, book, record or document; or**
- b) **give before the Assembly—Parliament—or a committee evidence on any such matter, as it relates to or forms part of the correspondence of any [...] civil department or to any matter affecting the public service.”**

All committees of the House are creatures of the House. They are responsible to the House, must report to the House, and abide and operate by powers and rules given by the House. The Honourable Speaker is the arbiter of the rules. The House is the

final jurisdiction of the Conventions and Orders as passed down to Parliament, through ages and centuries. No committee can operate outside of these rules; if it does, the Speaker must exert his powers.

The final arbiter of the rules is the House which deems it powers of Order to the Honourable Speaker. So to make it clear, the Chair of any committee, select or standing, finance, public accounts, whatever, gets its operative works and its authority from the seat of authority: the House, and thus, the Speaker.

As Speaker of this Honourable Parliament, I am responsible and I will ensure the conventions and rules of parliamentary democracy are abided by each and every committee of this Honourable House and Members of course, hoping that I will have complete good behaviour.

Honourable Members, the Standing Orders are here for your use. You must use them to aid you in your work. As a long standing Member here, I can't tell you how many times I've had to resort to the full Standing Order to ensure I got my work done. Particularly, in the old days when they just thought we were here to say Nay and Aye and not to do anything else. I had to prove I am elected. Therefore, I must work and I will try to work within the Standing Orders and I should say that in my 36 years now, I've never been put out. I had some rough times but I've sailed close enough to the wind to get the peoples' work done and that's what you must and why you must study your Standing Orders because there are times [when] you will have to sail close to the wind and being a long-standing Member I will recognise that, but I will also exert the powers within the Standing Orders.

I am sorry to have taken so much time this morning on these matters but seeing that we were not yet able to have our conference for new Members, I thought it appropriate—since you are beginning a very important piece of business today—that I should remind Members to my left who have been here for some time, and to my right some of you who are new and some who are also here for some time, that the Orders need to be obeyed; not the Speaker so much, but the Orders.

Thank you kindly.

## PRESENTATION OF PETITIONS

The Speaker: None.

## PRESENTATION OF PAPERS AND OF REPORTS

CAYMAN ISLANDS GOVERNMENT  
2022-2024 STRATEGIC POLICY STATEMENT –  
JULY 2021



**The Speaker:** The Honourable Minister of Finance.

**Hon. Christopher S. Saunders, Deputy Premier, Minister of Finance and Economic Development and Minister of Border Control and Labour:** Thank you, Mr. Speaker.

Mr. Speaker, on behalf of the Government, I beg to lay on the Table of this honourable Parliament, the Strategic Policy Statement (SPS) for the 2022-2024 financial years.

**The Speaker:** So ordered.

Is the Honourable Minister speaking thereto?

**Hon. Christopher S. Saunders, Deputy Premier:** Yes, Mr. Speaker.

Mr. Speaker, the Government's 2022-2024 Strategic Policy Statement, otherwise known as the SPS, outlines the Government's fiscal plans, its policies, broad priorities and outcomes for the next three years for the period, 1st January 2022 to 31<sup>st</sup> December, 2024.

This SPS will also guide the development of the detailed Budget for the next budget period, which will cover the financial years 2022 and 2023. That budget Mr. Speaker will be brought to this honourable Parliament in November of this year.

Mr. Speaker, this SPS is the first one produced by this Administration, and it accords with both the principles of responsible financial management and the terms of the Framework of Fiscal Responsibility, otherwise known as FFR, as set out in the Public Management and Finance Act.

Mr. Speaker, the SPS also reflects this Government's goal of improved fiscal prudence, while creating an environment for economic growth and PACT Governments. A Government that is people driven, accountable, competent and transparent. This SPS is built on the PACT Government making the necessary steps to making people lives better, in meaningful ways.

The PACT Government has crafted this SPS on strengthening our pillar industry of financial services, rebuilding and improving our tourism industry following the devastating impact of the COVID-19 pandemic, and diversifying our economy through new and developing industries.

Over the next four years the PACT Government's key priorities and broad outcomes are:

1. Improving education to promote lifelong learning and greater economic mobility;
2. Ensure an equitable, sustainable and successful healthcare system;
3. Providing solutions to improve the well-being of our people, so they can achieve their full potential;
4. Strengthening good governance for more effective government;

5. Supporting climate change resilience and sustainable development;
6. Increasing social justice in the workforce;
7. Utilising sports to enhance the lives of our people;
8. Building a modern infrastructure to ensure a successful future for our Islands;
9. Improving our financial services as an industry product and economic driver for our Islands; and lastly,
10. Improving our tourism industry as a product and economic driver.

Mr. Speaker, over the next three financial years, the Economics and Statistics Office (ESO) has forecast that our economy is expected to recover over the near term, beginning with a growth of 1.2 per cent in this year, 2021. Economic activity is expected to further accelerate by 4.7 per cent in 2022 and an average of 2.9 per cent between the years 2023 and 2025.

Mr. Speaker, it should be noted that while most industries are expected to contribute to growth in 2021, led by construction, some industries, such as hotels and restaurants, along with transport and storage, are not expected to grow as the Islands continue to enforce measures that ensure the safety of our people, and in particular, our children and other vulnerable groups.

Mr. Speaker, the economic growth which is led by the construction sector, will be directly influenced by several large construction projects from the private and public sectors including:

- The NCB Hilton Hotel;
- The new Hyatt Hotel at the Pageant Beach Site;
- The Indigo Hotel;
- Completion of the John Gray High School;
- Completion of the long term mental health facility; and
- Continued road network expansion and upgrade.

Mr. Speaker, this Government has made it a policy priority of ensuring that Caymanians have meaningful participation in the workforce and expect that this policy will shift the labour market dynamics and minimise the impact of displacements on the overall employment figure. We believe that this policy will result in more Caymanians being employed and will result in the overall unemployment rate moving more from a forecast of 5 per cent in 2021 to 4.4 per cent in 2022, and then average 3.6 per cent in the remaining three years.

Mr. Speaker, the Consumer Price Index (CPI), which measures the change in retail prices is expected to increase by 2.1 percent in 2021 by 1.9 per cent in 2022, and two per cent in 2023, and by 2.6 per cent in 2024. These forecast changes are primarily driven by forecast in the United States, the principal market for which the Cayman Islands import most of its consumer products.

Mr. Speaker, despite the impact of the COVID-19 pandemic on the Government's financial performance and forecast financial results, along with the Government's response to ensuring the health and safety of the people of the Cayman Islands and stimulate the local economy, the Government remains committed to maintaining fiscal prudence, and expects to be in full compliance with the principles and the FFR throughout the SPS period of 2022 to 2024.

Mr. Speaker, I will now highlight the financial forecasts that are contained in the SPS document:

### **Operating revenues**

This SPS does not contain any new fees or taxes levied on the public. The forecast assumes the ongoing successful prevention of the transmission of the virus and are therefore more dependent on assumptions about future developments than is normally the case. Additionally, Mr. Speaker, operating revenues are expected to increase over the forecast period, surpassing pre-COVID-19 levels.

As the tourism sector begins to recover, other major sectors of the local economy are showing tremendous resilience and growth, led by the expansion of the construction sector; such growth is expected to result in increased demand for goods and services, thereby driving revenue from import duties and other consumption based revenue items.

Mr. Speaker, the Government's total operating revenue for the SPS forecasts period 2022-2024 is just under \$2.7 billion which are broken down as follows:

- \$868.7 million in 2022
- \$895.8 million in 2023; and
- \$930 million in 2024

Mr. Speaker, the main drivers of these revenues are:

- other companies' fees — \$387.5 million
- other import duty — \$449 million
- private fund fees — \$152.5 million
- partnership fees — \$240.4 million; and
- mutual fund administration license fees — \$150.5 million

### **Operating expenditure forecast**

Mr. Speaker, the SPS forecast period is to be just under \$2.6 billion in operating expenditures broken down as follows:

- \$843.2 million in 2022
- \$861.5 million in 2023; and
- \$864.8 million in 2024

Mr. Speaker, the modest increase in operating expenditures is due to Government's new initiatives for education, health, security and social development, coupled with increases in health insurance premiums.

The finance costs are expected to increase over the SPS forecast period, primarily due to the repayment of government debt.

Additionally, Mr. Speaker, output from Statutory Authorities and Government Companies (SAGCs) show small increase over the SPS forecasts period. Dominant among these expenditure category are the cost of services produced for Government by the Health Services Authority, the Cayman Islands National Insurance Company, the Cayman Islands Monetary Authority and Cayman Airways.

Mr. Speaker, over the next three financial years, the Government is committed to \$434 million in planned capital investments and capital injections. Government Ministries, Portfolios and Offices are expected to spend approximately \$331 million to fund the following:

- Completion of all phases of the John Gray High School in George Town, as well as other critical education infrastructure;
- Invest in a new submarine communications cable system;
- Security improvements to the prison facilities;
- Procurement of patrol vessels for the Coast Guard;
- Specialised equipment for the Royal Cayman Islands Police Service;
- Modernisation of local infrastructure, including the road network; and
- The purchase of lands for national environmental conservation, to name a few.

Additionally, Mr. Speaker, over the next three financial years, the Government expects to inject capital, totalling \$103.3 million into SAGCs to support their operations and to fund capital projects. The majority will be invested in the Cayman Islands Airports Authority, the National Housing and Development Trust, the Cayman Turtle Centre, the University College of the Cayman Islands and Cayman Airways.

### **Borrowings**

On the subject of borrowings, Mr. Speaker, in 2021 Government intends to borrow \$230 million and a further \$100 million in 2022. The total borrowing of \$330 million will be used, along with operating revenues, to fund capital investments by Government which total \$331 and government investments in SAGCs of \$103.3 million over the SPS forecast period. During the SPS forecasts period, the government is expected to pay off approximately \$145.5 million in outstanding government debt.

At 31<sup>st</sup> December 2024, it is forecast that the Government will have a debt balance of \$398.8 million, which will represent 7 per cent of GDP, one of the low-

est in the world. The Government is committed to maintaining full compliance with the principles throughout the SPS forecast period.

### **Operating surplus**

On the subject of operating surplus, Mr. Speaker, the Act requires that the Government maintain a positive operating surplus. Throughout the SPS period, the Government is projected to remain in compliance with the requirement to maintain a positive operating surplus. The operating surplus of Government is forecast to be:

- \$25.5 million in 2022;
- \$34.4 million in 2023; and
- \$65.2 million in 2024.

The Act also requires that the Government maintains a positive net worth; the Government is forecast to maintain a positive net worth throughout the SPS forecast period. Net worth is forecast to be:

- \$1.3 billion at the end of 2022;
- \$1.4 billion at the end of 2023; and
- \$1.4 billion at the end of 2024.

Mr. Speaker, the Act also requires that the annual entire public service debt service cost—that is interest and principle—not be greater than 10 per cent of government's revenues. The Government is forecast to remain compliant throughout the SPS forecast period with debt service ratio of:

- 8.2 per cent in 2022;
- 8.6 per cent in 2023; and
- 7.1 per cent in 2024.

Again, Mr. Speaker, all years are below the 10 per cent requirement. The net debt ratio is that the Act requires that the Government net debt does not exceed 80 per cent of Government's operating revenues. Net debt is calculated as the total amount of outstanding Government debt, plus the risk-weighted debt of SAGCs, less the liquid assets of government.

For the SPS forecasts period, net debt is forecast to remain well below the limit, achieving full compliance with this ratio.

- In 2022, we are looking at 26.5 per cent;
- 29.4 per cent in 2023; and
- 30.7 per cent in 2024—again, well below the 80 per cent ratio.

### **Cash Reserves**

On the issue of cash reserves, the Act requires Government to have liquid cash reserves of not less than 90 days of estimated executive expenses. This ratio is calculated at the point in a financial year, when Government's liquid cash reserves are expected to be at their lowest, typically 31<sup>st</sup> December, each year.

Over the SPS forecast period, unrestricted cash reserves are expected to be:

- 167.1 days of executive expenses in 2022;
- 125.2 days of executive expenses in 2023; and
- 94.3 days of executive expenses in 2024—again, above the 90 day requirement.

Mr. Speaker, I am very pleased to inform this honourable Parliament that the UK Government's Foreign, Commonwealth and Development Office (FCDO) has agreed to the SPS that has just been laid on the Table for the Government's 2022 to 2024 financial years. This is an important and significant endorsement of the Government's plans.

Mr. Speaker, with your permission, I would like to lay on the Table, the FCDO's agreement to the SPS and also read into the record.

*[Pause]*

**Hon. Christopher S. Saunders, Deputy Premier:** Do I have your permission?

**The Speaker:** So ordered.

**Hon. Christopher S. Saunders, Deputy Premier:** Give that to the Speaker for me and you can lay this one for me. I brought copies for everyone as well, in case they want to read along; here you go.

Thank you, Mr. Speaker. This letter from Paul Candler, Director of the Overseas Territories, dated the 13<sup>th</sup> July 2021 was sent to the Honourable Premier, Wayne Panton, and reads:

**“Dear Premier Panton,**

**I am writing in response to your letter to Lord Ahmad on 6 July 2021, requesting approval for your 2022 to 2024 Strategic Policy Statement (SPS) and associated borrowing proposals.**

**On behalf of the Foreign Commonwealth in Development Office (FCDO), I am content that the Cayman Islands Government (CIG) can present the SPS to the Cayman Parliament and proceed with the proposed borrowing plans. As the SPS forecasts that the CIG Government will remain in compliance with the three borrowing limits set out in the Framework for Fiscal Responsibility, these do not require formal approval from the UK Government.**

**I thank you for the transparent and collaborative approach you have taken in sharing this information with us. I would be very grateful if you could continue to keep me and my team updated with the latest fiscal out turns and projections. If subsequent fiscal forecast project a breach in any of the borrowing's limit, formal UK approval would be required for updates to the SPS and new borrowing from that point onwards.**

Despite the fiscal challenges that COVID-19 has brought, the SPS demonstrates a commitment to sound public financial management and shows the CIG's public finances in a strong position. It is particularly notable that you have maintained a high level of reserves and are anticipating returning to an operating surplus by 2022 under these difficult circumstances.

Thank you for your continued collaboration with the UK. I have recently taken over as Director of the Overseas Territories Directorate and look forward to meeting with you in the near future.

Yours sincerely

Paul Candler

Director Overseas Territories."

Mr. Speaker, in closing, I just want to highlight that the safety of the people of the Cayman Islands, and the recovery of this economy are the top priorities of the PACT Government.

The Government recognises that difficult decisions have to be made to counter the impact of the COVID-19 pandemic but the decision must be made with prudent fiscal limits. Simply put, Mr. Speaker, we have to be responsible with the people's money.

The financial targets set out in this SPS, allows for funding of key policy initiatives, including:

- Enhancing education programmes;
- Expanding and modernising healthcare;
- Enhancing social development programmes;
- Sustainable development;
- Understanding climate change resiliency; and
- Supporting the financial services sector in being a mainstay economic driver in the Cayman Islands.

The Government recognises that setting these financial targets are not simply numbers, but that these targets affect the lives of our citizens at a personal level; we are talking about a child having daily meals at school, Mr. Speaker, or a person having access to adequate, quality healthcare.

Mr. Speaker, this Government remains steadfast in its commitment to delivering its programmes for improving the quality of life for all Caymanians, while balancing the need to manage the country's finances in an accountable, competent, and transparent manner but most importantly, Mr. Speaker, being people-driven and making sure that we put people first.

Thank you, Mr. Speaker.

*[Desk thumping]*

**OFFICE OF THE AUDITOR GENERAL  
CAYMAN ISLANDS ANNUAL REPORT,  
31<sup>ST</sup> DECEMBER 2020 —**

## PROVIDING VALUE TO THE PEOPLE OF THE CAYMAN ISLANDS

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

**Hon. Roy M. McTaggart, Leader of the Opposition, Elected Member for George Town East:** Thank you, Mr. Speaker.

Mr. Speaker, I beg to lay on the Table of this honourable House, the Annual Report for the Year ended 31<sup>st</sup> December 2020, for the Office of the Auditor General, entitled "Providing Value to the People of the Cayman Islands".

**The Speaker:** So ordered. Is the Member speaking thereto?

**Hon. Roy M. McTaggart, Leader of the Opposition:** Very briefly, Mr. Speaker.

Mr. Speaker, the Annual Report contains the audited financial statements for the Office of the Auditor General for the year 2020 as well.

I draw Members' attention to the fact that the accounts are audited by Baker Tilly [Chartered Professional Accountants] and they issued an unqualified or unmodified opinion on those financial statements on March 24<sup>th</sup>, 2021.

I commend the report to this honourable House; it contains details as to the work of the Auditor.

With those comments, sir, I thank you.

## CAYMAN ISLANDS LAW REFORM COMMISSION ANNUAL REPORT NO. 16 — 1<sup>ST</sup> APRIL 2020 TO 31<sup>ST</sup> MARCH, 2021

**The Speaker:** The Honourable Attorney General.

**The Attorney General, Hon. Samuel W. Bulgin:** Thank you, Mr. Speaker.

Mr. Speaker, I beg leave of this Parliament to lay on the Table, the Cayman Islands Law Reform Commission Report, which covers the period 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2021.

**The Speaker:** So ordered. Is the Member speaking thereto?

**The Attorney General, Hon. Samuel W. Bulgin:** Mr. Speaker, save to draw honourable Members' attention to the Chairman's foreword, where he made a point that this is the 16<sup>th</sup> Annual Report of the Commission and that the reporting period took place in the midst of a daunting challenge for these Islands and the world, due to the COVID-19 global pandemic, which few could have foreseen.

He observed, Mr. Speaker, that despite those challenges, it has been a progressive year for the Commission. According to him, Mr. Speaker, as in previous

years, the Commission continued to keep the laws of the Cayman Islands under review in a systematic way by maintaining a record of possible future Law Reform Projects, through its own assessment of the areas in need of reform and, of course, having received referrals from other stakeholders.

Mr. Speaker, according to the Chairman, the Commission has maintained concentration upon its core work with the result that during and post the shelter-in-place legislative requirements, a range of projects, all of which have direct bearing on the needs of contemporary Cayman Islands society, were advanced.

He made the point sir, that on the 8<sup>th</sup> November 2020, the final report of the Commission, "*Bullying: Legislation, Policy or Both?*" was submitted. The final reports contained recommendations which sought to respond to the issues that relate to bullying behaviour in the public and private schools. Of course, the vote was submitted or underpinned by an Education (Amendment) Bill, 2020 and Anti-Bullying School Regulations, 2020.

Mr. Speaker, he also highlighted, and this Parliament would have been aware, of the review of litigation funding in the Cayman Islands, as it relates to conditional and contingency fee agreements, and also the decriminalisation of suicide, and those of course culminated in legislation being passed by this honourable Parliament. He also mentioned the Commission's ongoing work on the contempt of court report, and also on the issue of the Registered Land (Amendment) Bill, as it relates to the enforcement of mortgaged types of security over real estate and the necessary reform to that Law.

Mr. Speaker, I would only further wish to thank the Chairman of the Commission, Mr. Hector Robinson, QC, and the Commission's Honourable Justice, Alexander Henderson, QC, retired judge, Commissioner Vaughn Carter, Commissioner Abraham Thoppil, the Solicitor General and the Director of Public Prosecutions, as well as the Commission's staff, the Director Mr. Jose Griffiths, paralegal Ms. Felicia Connor and Administrative Secretary, Ms. Lourdes Pacheco.

I commend this report to the Honourable Parliament and to the wider public.

I thank you, sir.

#### **OMBUDSMAN CAYMAN ISLANDS— ANNUAL REPORT 2020**

**The Speaker:** The Honourable Minister of Home Affairs, Youth, Sports, Culture and Heritage.

**Hon. Bernie A. Bush, Minister of Home Affairs, Youth, Sports, Culture and Heritage:** Mr. Speaker, on behalf of the Select Committee that oversees the Office of the Ombudsman, I beg to lay on the Table the Ombudsman's Office 2020 Annual Report.

**The Speaker:** So ordered. Is the Honourable Minister speaking thereto?

**Hon. Bernie A. Bush:** No sir, thank you.

**The Speaker:** Thank you.

#### **THE MINISTRY OF COMMUNITY AFFAIRS ANNUAL REPORT 2019 AND 2020**

**The Speaker:** The Honourable Minister of Investment, Innovation, and Social Development.

**Hon. André M. Ebanks, Minister of Financial Services and Commerce and Minister of Investment, Innovation, and Social Development:** Thank you, Mr. Speaker.

I beg to lay on the Table of this honourable House, the 2019 and 2020 Annual Reports of the Ministry of Community Affairs.

**The Speaker:** So ordered.

Is the Minister speaking thereto?

**Hon. André M. Ebanks:** Very briefly, Mr. Speaker. Just to say that through a twist of fate, I happened to be a member of the Ministry of Community Affairs at the relevant time, as reporting for that period, as the Deputy Chief Officer and I would just like to thank all of the staff at that time for their incredible work—it is integral to the social fabric of this society, in terms of needs assessment, social work and gender affairs. It was a pleasure to work with them, to see their work in action, and I would just like that noted for the record.

*[Desks thumping]*

#### **GOVERNMENT OF THE CAYMAN ISLANDS CHILDREN AND YOUTH SERVICES (CAYS) FOUNDATION ANNUAL REPORT – YEAR ENDED 31 DECEMBER 2020**

**The Speaker:** The Honourable Minister of Investment, Innovation and Social Development.

**Hon. André M. Ebanks:** Thank you, Mr. Speaker.

I beg to lay on the Table of this Honourable House the Children and Youth Services—shortly named (CAYS)—Foundation, Annual Report ended 31<sup>st</sup> December 2020.

**The Speaker:** So ordered. Is the Minister speaking thereto?

**Hon. André M. Ebanks:** Very briefly Mr. Speaker, to say thank you to this Foundation for their incredible work in handling troubled teens and working alongside the Department of Children and Family Services

(DCFS). It is very noble work and they do it with very meagre funding, so thank you for their services.

**MINISTRY OF INTERNATIONAL TRADE,  
INVESTMENT,  
AVIATION AND MARITIME AFFAIRS - MITIAMA  
CAYMAN ISLANDS GOVERNMENT  
ANNUAL REPORT 2020**

**The Speaker:** The Honourable Minister of Investment and Innovation.

**Hon. André M. Ebanks:** Thank you, Mr. Speaker.

I beg to lay on the Table of this honourable House, the 2020 Annual Report for the Ministry of International Trade, Investment, Innovation and Maritime Affairs of the Cayman Islands Government.

**The Speaker:** So ordered. Is the Minister speaking thereto?

**Hon. André M. Ebanks:** Just very briefly, to say that the Ministry dealing with COVID, in the middle of 2020, had to convert its operations to deal with the COVID response and not their original intended objective. I just wanted to note their outstanding work during the pandemic.

**CAYMAN ISLANDS GOVERNMENT OFFICE — UK  
ANNUAL REPORT 2020**

**The Speaker:** The Honourable Minister of Investment, Innovation and Social Development.

**Hon. André M. Ebanks:** Thank you Mr. Speaker. I beg to lay on the Table of this honourable House, the Cayman Islands Government Office — UK, Annual Report 2020.

**The Speaker:** So ordered. Is the Minister speaking thereto?

**Hon. André M. Ebanks:** Very briefly. This report again, is a twist of fate, as it was one in which I am deeply familiar with, as at the time I was the Cayman Islands Representative to the UK, which this report is reporting on.

I would say, not in relation to myself but to the overall staff complement, it was extraordinary to watch Caymanians overseas assist their fellow Caymanians, students, [and] vulnerable, transport back and forth on British Airways (BA) between London and Cayman and to also have received and helped folks who were leaving Cayman to arrive on BA. Doing so while they were in lockdown themselves in their residence, was extraordinary to watch.

My heart goes out to the staff. I will never forget their support. A piece of me will always be in London.

Thank you.

*[Desk thumping]*

**THE UNIVERSITY COLLEGE OF THE  
CAYMAN ISLANDS BOARD OF GOVERNORS  
ANNUAL REPORT 2018**

**The Speaker:** The Honourable Minister of Education.

**Hon. Juliana Y. O'Connor-Connolly, Minister for Education and Minister of District Administration and Lands:** Thank you, Mr. Speaker.

I beg to lay on the Table of this honourable Parliament, the 2018 Board of Governors Annual Report.

**The Speaker:** So ordered. Is the Minister speaking thereto?

**Hon. Juliana Y. O'Connor-Connolly:** Thank you, Mr. Speaker; only to say that the University College Board of Governors Report for 2018 received an unqualified opinion from the Auditor General and it was during that year that they saw the recruitment of the new President.

**WATER AUTHORITY OF  
THE CAYMAN ISLANDS —  
2018 AND 2019 ANNUAL REPORT**

**The Speaker:** The Minister of District Administration and Lands.

**Hon. Juliana Y. O'Connor-Connolly:** Thank you. Mr. Speaker.

Mr. Speaker I beg to lay on the Table of this Honourable Parliament, the Water Authority of the Cayman Islands 2018 and 2019 Annual Reports and to also indicate that they received unqualified opinions.

**The Speaker:** So ordered. Is the Minister speaking thereto?

**Hon. Juliana Y. O'Connor-Connolly:** Mr. Speaker just to thank the awesome Board at the Water Authority and to publicly express the Government's appreciation for their year upon year successes with a very vital commodity here in the Cayman Islands, especially with the expansion to Cayman Brac and the work that they're doing there in the plans that they have for Little Cayman.

To recognise the passing of one of the members, Mr. Chris Randall; to thank his family for his valuable contribution.

Also to put on record the Government's expression of gratitude and appreciation to the most recent Chairman, Mr. Kearney Gomez, and also to Mr. Alfonso Wright; Mr. Wright having tendered his resignation because he's been graduated from a Public Officer to a Civil Servant, and Mr. Kearney Gomez having tendered his resignation after the last election due to—in his opinion—the catastrophic results of the election.

**FINANCIAL STATEMENTS OF THE SEGREGATED  
INSURANCE FUND OF THE CAYMAN ISLANDS  
FOR THE 18-MONTH  
PERIOD ENDED 31 DECEMBER 2017;**

**FINANCIAL STATEMENTS OF THE SEGREGATED  
INSURANCE FUND OF THE CAYMAN ISLANDS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2018;**

~AND~

**FINANCIAL STATEMENTS OF THE SEGREGATED  
INSURANCE FUND OF THE CAYMAN ISLANDS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019**

**The Speaker:** The Minister of Health and Wellness.

**Hon. Sabrina T. Turner, Minister of Health and Well-  
ness:** Thank you, Mr. Speaker.

I beg to lay before the Honourable House, the Audited Financial Statements of the Segregated Insurance Fund for the Fiscal Years Ending 31<sup>st</sup> December 2017, 2018 and 2019.

**The Speaker:** So ordered. Is the Honourable Minister speaking thereto?

**Hon. Sabrina T. Turner:** No, I wish not to. Thank you.

**ANNUAL REPORT 2019 —  
“Delivering Outcomes that Matter”  
HEALTH SERVICES AUTHORITY,  
CAYMAN ISLANDS**

**The Speaker:** The Minister of Health and Wellness.

**Hon. Sabrina T. Turner:** Thank you, Mr. Speaker.

I beg to place before this honourable House, the Annual Reports for the Cayman Islands Health Services Authority for the 12-month period ending 31<sup>st</sup> December, 2019.

**The Speaker:** So ordered. Is the Minister intending to speak?

**Hon. Sabrina T. Turner:** No, I don't. Thank you.

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

**The Speaker:** There are no questions.

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

**The Speaker:** There are no statements.

**PERSONAL EXPLANATIONS**

**The Speaker:** None.

**OBITUARY AND OTHER  
CEREMONIAL SPEECHES**

**The Speaker:** None.

**RAISING OF MATTERS  
OF PRIVILEGES**

**The Speaker:** None.

**GOVERNMENT BUSINESS**

**MOTIONS**

**GOVERNMENT MOTION NO. 4/2021-22 –  
STRATEGIC POLICY STATEMENT  
FOR 2022-2024 FINANCIAL YEARS**

**The Speaker:** The Honourable Premier.

**The Premier, Hon. G. Wayne Panton:** Mr. Speaker thank you.

I rise on behalf of the Government to move Government Motion No. 4/2021-2022 - The Strategic Policy Statement for the 2022-2024 Financial Years.

Mr. Speaker the motion reads:

**WHEREAS Sections 23(1) and 23(1) (A) of the Public Management and Finance Act (2020 Revision), state: that the Strategic Policy Statement for the next budget period shall be presented to the Parliament by a member of the Cabinet appointed by the Cabinet to do so on behalf of the Cabinet for approval within two month; and in a year where there is a General Election, the Strategic Policy Statement shall be presented to the Parliament not later than three months after the date of the General Election;**

**AND WHEREAS the next budget period is with respect to the 2022 and 2023 Financial Years;**

**AND WHEREAS the Strategic Policy Statement tabled during this meeting of the Parliament satisfies the legal requirements to encompass a 3-year timeframe and, presently this timeframe involves the 2022-2024 Financial Years.**

**BE IT NOW THEREFORE RESOLVED that the Parliament approves the policy priorities, aggregate financial targets and financial allocations set out in the 2022-2024 Strategic Policy Statement as the indicative parameters on which the 2022 and 2023 budgets will be formulated.**

**The Speaker:** The question is: BE IT NOW THEREFORE RESOLVED that the Parliament approves the policy priorities, aggregate financial targets and financial allocations set out in the 2022-2024 Strategic Policy Statement as the indicative parameters on which the 2022 and 2023 budgets will be formulated.

The Honourable Premier.

**The Premier, Hon. G. Wayne Panton:** Thank you, Mr. Speaker.

Mr. Speaker three months ago today, the people of the country peacefully exercised their democratic right in the General Election when 17,404 citizens of the Cayman Islands turned out to have their voices heard and elect a new administration to lead the Cayman Islands for the next four years. One week after polling day, we stood in this honourable House and on the precincts of Parliament and took our Oaths as Members of Parliament and Ministers of Cabinet, to serve the people of this great country, and on that day I was given the great honour and privilege to take my Oath as Premier of the Cayman Islands.

Today Mr. Speaker, I have the honour and pleasure of presenting to the country some of the details, really adding to those perhaps presented earlier by the Honourable Minister for Finance, and where it repeats sir, is probably because it bears emphasis as one of our famous politicians said in the past. So today I have the pleasure of presenting to the country, some of these details of the PACT Government's Policy Plans and Proposals and the Financial Projections for the upcoming three years in the 2022-2024 Strategic Policy Statement—(SPS).

Mr. Speaker, the SPS is a road map if you will, to the Government's broad budgetary policies, and does not delve into the grit of the budget details which will come later this year; but Mr. Speaker importantly, the revenue forecasts reflected in this document do not include any new revenue measures during the SPS period. The forecast assumes the ongoing successful prevention of the transmission of the COVID virus and are therefore more dependent upon assumptions about future economic conditions.

Revenues are expected to increase over the SPS forecast period surpassing the pre-COVID-19 levels, Mr. Speaker. As the tourism sector begins to recover, other major sectors of the local economy are showing tremendous resilience and growth. The expansion of the construction sector is expected to result in increased demand for goods and services, driving additional revenue from import duties and other consumption-based revenue items and despite the impact of the COVID-19 pandemic on the Government's Financial Performance and Forecasted Financial Results, the Government remains committed to maintaining fiscal prudence and being in full compliance with the principles of responsible financial management as prescribed by the Public Management and Finance Act (PMFA) throughout the SPS period.

Mr. Speaker, I wish to commend the men and women of the PACT Government for their day-to-day running of the Government and attention to core public sector activities. We came together, not only to develop this SPS, but also to set clear key strategic policies. As you would know, sir, the PACT Government took over Administration of the Cayman Islands after the snap general election in April, and since the day of swearing-in, we have hit the ground running.

As a team, we are growing from strength to strength on a daily basis, and keeping foremost in our vision, our guiding principles of being a government that is **people-driven, accountable, competent and transparent**. Our collective goal is to responsibly improve the quality of life for this and future generations of Caymanians. Broadly speaking, our vision is of a Cayman that is held up as one of the most sustainable countries in the world where all of its citizens can thrive; a country that is a peaceful and prosperous place and is known for its resourcefulness, diligence, excellence and innovativeness.

Mr. Speaker, before I speak to the SPS I will address a couple of matters of importance, for the record of this assembly of Parliament. We have before us two looming issues of importance to the nation. The re-opening of our borders to travellers to help us boost our economy, and the recent spate of gun crimes. I will start with the latter.

Mr. Speaker, if we do not address the crime problem head-on, there will be nothing here for visitors to want to comfortably enjoy. Mr. Speaker, you and others would know that I am at heart an optimist. It is at times like these that I recall the words of that great American baseball pitcher Leroy Satchel Paige, **“Never let your head hang down. Never give up and sit down and grieve. Find another way. And don't pray when it rains if you don't pray when the sun shines.”** We're having some sprinkles now, Mr. Speaker; it is now that as a nation we need to be doing some praying as a part of the solution.

Friday night I sent a message to the nation saying that I was grieved and saddened by the shocking recent outbreak of gun crimes. We have seen two more young Caymanian men shot down in the prime of their lives and to what end; the only thing these acts did was leave loved ones devastated. The Royal Cayman Islands Police Service (RCIPS) has been resolute and robust in their response to these crimes and we salute the Commissioner and his team for facing these challenges head-on.

*[Desk thumping]*

**The Premier, Hon. G. Wayne Panton:** The National Security Council has also adopted measures to fight gun crime and we continue to meet to come up with other strategies.

Mr. Speaker, I am keenly aware that the social ills such as inequity and disenfranchisement that has



led to the subculture of gun possession and criminality did not emerge overnight, but this Government—I want to clearly state—is committed to addressing the deep rooted issues as a matter of priority and that is something we will focus on over the next four years.

Mr. Speaker, the second challenge facing us since taking Office was, and still is, the safe reopening of our borders to visitors. Since taking Office, we have turned much of our attention to the COVID-related regulations we inherited from the previous administration; some of these regulations have been extended and some have been amended. Mr. Speaker, we also extended the pension holiday, the tourism workers stipend, and the health insurance continuation programme because these programmes and initiatives provide essential relief for our people, and businesses, who have suffered much because of COVID.

I reiterate my appreciation to the former administration for getting us through the hard days of the COVID lockdown. Now, Mr. Speaker, we have a plan to re-open our borders, but nothing we come up with will work safely, unless everyone in the Cayman Islands who is capable of taking the COVID vaccine, takes it. We must realise the goal of vaccinating 80 per cent of our population and will continue to use the population figure of 71,100. Mr. Speaker, I am begging everyone in this country who has not yet taken the vaccine—not from a position of weakness, but from a position of concern for the health for this country—to help us reach our goal. We cannot remain closed to the outside world forever. We have to let people come back into our country to help us rebuild, Mr. Speaker.

Mr. Speaker, ours is a phased plan based largely, once again, on the vaccination numbers. It is a topic I will continue to emphasise until we reach our goal. At any point, our plan can be pulled back but that decision will be based on assessments at each phase. These assessments will be based on medical science and data. It could be, that as we welcome people back into our Islands we may have to go back to wearing masks in certain circumstances; we may have to get back into the habit of social distancing in certain circumstances; we may again also lower the limits placed on the numbers of people allowed at public gatherings depending on the current advice and circumstances relevant to public health.

We have to remain cautious, Mr. Speaker. I think we only need look at our fellow overseas territory the British Virgin Islands (BVI) as an example. When I spoke at the Chamber Legislative Luncheon last week I told the audience that BVI had to enact harsh restrictions because the number of COVID cases at that point was 480—I think it had gone from near zero to 480 in the space of one week.

As of this past Monday Mr. Speaker that number had, in their Chief Medical Officer's words, *grown exponentially* to 1147; two people have died and four people are in intensive care. Their Dr. Ronald George

said and I quote, “**I must appeal to everyone's understanding that the BVI is now in an advanced state of community transmission and therefore all persons are presently at risk of contracting COVID-19.**”. Mr. Speaker, I do not want to hear our Chief Medical Officer Dr. John Lee repeating those words; we don't want those sort of words in these Islands; and by the way Mr. Speaker, of the 18 patients hospitalised for COVID in BVI since the 4<sup>th</sup> of July, 17 had not been vaccinated.

According to their national epidemiologist, if current trends continue the BVI could see as many as 5,500 in the next two weeks. Mr. Speaker that would constitute, as much as it would for us, a public health disaster; we do not want this happening in the Cayman Islands, so once again I am imploring those listening and watching: if you haven't been vaccinated and you are able to, please do so. Do not wait. The lives of our people are at stake. The livelihoods of our people are at stake. In fact, for each individual, their lives may be at stake, if they are unvaccinated.

Mr. Speaker, I think people should not let those spreading misinformation deliberately or inadvertently, mislead them—the vaccine is safe. Billions of people have been vaccinated safely and yes, the vaccine has been approved. Do not listen to the mischief that it is not approved, do not listen to the mischief that it is some grand experiment. The reality is it is the only real solution we have to regaining some degree of normalcy with open borders, while still protecting the health and lives of our people.

We have said it before and again, it bears repeating, Mr. Speaker: nothing is of greater importance to me and my Government than the well-being of our people. We have worked tirelessly, deliberating diligently and seeking to strike the right balance for the safe and successful re-opening of our broader economy including, specifically, tourism.

As I said earlier Mr. Speaker, everything we have done has been based on our guiding principles—being a government that is **people-driven, accountable, competent** and **transparent**. It is those guiding principles that have led us to develop our broad outcomes for this SPS. At the heart of those broad outcomes is one critically important thing, Mr. Speaker, and that is improving the lives of our people.

Mr. Speaker, the Honourable Minister of Finance and Deputy Premier articulated those broad outcomes. I will do so again—again—just to emphasise:

1. Improving education to promote lifelong learning and greater economic mobility;
2. Ensuring an equitable sustainable and successful health care system;
3. Providing solutions to improve the well-being of our people so they can achieve their full potential;
4. Strengthening good governance for more effective government;

5. Supporting climate change, resilience and sustainable development;
6. Increasing social justice in the workplace; the work force.
7. Using sports to enhance the lives of our people;
8. Building a modern infrastructure to ensure a successful future for our Islands;
9. improve our financial services as an industry product and economic driver for our Islands; and lastly, but certainly not least,
10. Our tourism as an industry, product and added economic driver.

Mr. Speaker, when this Government met to discuss our goals and ambitions for this SPS and the country's future, we all agreed that education is a top priority and we drilled down on what needed to be done to ensure that the next generation and those that come after, are well equipped to lead our country. We believe Mr. Speaker, that education is the most worthwhile investment of our country's precious resources.

Mr. Speaker, many people may be shocked by the new reality that one of the issues we face is that of hungry children; and study after study has shown that hungry children are poor students. They have poor cognition and educational performance; they are more likely to repeat a grade, come to school late or miss school altogether. We know for a fact that we have children who come to our public schools who have missed meals.

Mr. Speaker, I have spent time with some of the Parent-Teachers Associations (PTAs) and the incredible parents that have been engaged with those, all spending their own personal time trying to ensure that these types of issues have been addressed and I see the frustration and concern on their faces and share the need with them to have this issue addressed. So Mr. Speaker, this Government has, as one of its goals to continue to improve education beginning with a basic step: to ensure that all of our children are fed, giving them the foundation to earn a great education.

*[Desks thumping]*

**The Premier, Hon. G. Wayne Panton:** For some time there was a policy of the Education Ministry that no child goes hungry. The time for talk is over and now we are backing that policy with resources.

*[Desks thumping]*

**The Premier, Hon. G. Wayne Panton:** We also plan to increase offerings in public High Schools to allow for the reintroduction of A-Levels; expand the scholarship age limit for post-graduate degree programmes and incentivise Caymanians to continue life-long learning by upskilling themselves.

I am pleased that the Honourable Minister for Education agreed to join our Government, Mr. Speaker, and to serve—for the first time in recent history—as a consecutive Education Minister. I believe this provides continuity, and an opportunity to see better outcomes from an approved-policy approach.

Mr. Speaker, there's no greater indication of our Government's focus on health than the request of the Honourable Minister for Health to have her Ministry renamed the Ministry of Health and Wellness. Strengthening our healthcare system comes with a healthier population. To ensure that we build a successful and sustainable healthcare system, we will incentivise Caymanian medical professionals to return home to work; move to a more efficient Health Services Authority (HSA) where all clients will experience less waiting time, and we will revamp Cayman Islands National Insurance Company (CINICO) [by] expanding services.

Our elderly and aging population can also count on a government that will help establish additional assisted living homes and retirement facilities through public/private partnerships that meet their needs. And Mr. Speaker, I will say specifically for the benefit of the Member for East End: that will definitely include East End as it will all of the districts and constituencies.

Mr. Speaker, as I have said on many occasions, the PACT Government wants to create in Cayman a country where all of its citizens thrive. We want to provide solutions to improve the well-being of our people so they achieve their full potential in our society. We will offer full support to the family system and communities by providing financial assistance to help working families offset the cost of day care services and increase the number of recreational parks civic centres and multipurpose halls.

Additionally, Mr. Speaker, we have heard the voices of our people loud and clear and this goes particularly to young people in this country, Mr. Speaker, who feel that their opportunities are fast disappearing. We will offer government-guaranteed home assisted mortgages, more quality affordable homes and we will enact legislation to reform the current pension system to provide greater retirement protections. We will reform work permit fees. We will end dependency on cheap labour. We will increase labour enforcement and increase the minimum wage with an eye towards a workable solution.

*[Desks thumping]*

**The Premier, Hon. G. Wayne Panton:** As we work to continue to improve the lives of our people, Mr. Speaker, we need to take a hard look at social justice in the workplace. We believe we should establish a national job criteria list to reduce the number of misleading employment ads, as well as implement a system to match all work permit applications to unemployed Caymanians with the relevant skills and experience. There

should also be a joint approach between WORC and the Ministry of Education to match available jobs to new graduates.

Mr. Speaker, our Deputy Premier and Honourable Minister for Border Control and Labour has his fingers on the pulse of the employment of our people. We need to have a healthy community of people who will take up these jobs and as such, the PACT Government encourages a culture in our community of being active through public education campaigns, the promotion of academic opportunities through sports and ensuring that sports development is funded to enhance the lives of our people.

Our Honourable Minister for Youth, Sports, Culture and Heritage is very passionate about this area, Mr. Speaker; and he is keenly aware of the power and role that sports plays in bridging the social divisions and differences—in building a stronger, more active and connected, community.

Mr. Speaker, you have also heard me say very often that if we do not do enough to take care of our environment, that we will have nothing left for our people or our visitors. This Government is serious about supporting climate change resilience and sustainable development. Most importantly, we are committed to reviewing and revising the national development plan without which, we are just paying lip service to future generations. I thank my Government colleagues for supporting me in bringing a new ministry to focus on sustainable development and climate resilience.

Moving on Mr. Speaker, our Government sees us reducing the number of second-hand cars that are imported from Japan and promoting the use of electric vehicles in the public transport system. There should be stiffer fines for environmental violations and mangrove buffer zones that have been damaged should be replanted. We also need to do a better job of educating our children and the wider public about our environment, and the negative effects of climate change on every aspect of our lives. In order to have a sustainable environment, we have to also turn our attention to a modern infrastructure to ensure a successful future for our Islands.

A planned successful future includes public education and consultation on national infrastructure development. The provision of money for a new sub-sea fibre-optic telecommunications cable to ensure we remain connected to the world, and an effective national storm-water management plan that includes remediation of chronic flooding areas. These are all things that our Honourable Minister for Planning and Agriculture, Housing and Infrastructure is passionate about, Mr. Speaker.

To realise all these goals that we have for our people and country, we need to ensure that our two major pillars of the economy—the financial services industry and the tourism industry—are protected and allowed to flourish; but we also need to look at other industries for growth such as technology, healthcare,

and medicine amongst others. In short, Mr. Speaker, we must continue our efforts to diversify.

We must redefine how we position the Cayman Islands as a tax-neutral jurisdiction; promote compelling initiatives to debunk tax-haven myths; engage proactively with international political and regulatory organisations, and network with key European Union, United Kingdom, and United States stakeholders. Our Honourable Minister of Financial Services and Commerce is working hard with our stakeholders that keep the Cayman Islands at the forefront of the global financial services industry.

We also know that we have to re-grow and re-imagine our tourism product to be competitive. We will do this through the better use of data by policy makers to ensure the approaches that we take are sustainable and effective. This will be based on a revamped national tourism plan, diversification of our tourism product with a greater eco-tourism focus and rethinking how cruise tourism can best serve the Cayman Islands. The Honourable Minister for Tourism and Transport brings energy and passion to his two focus areas and I am confident that we will see more Caymanians joining, growing and prospering in the tourism industry during this administration.

Mr. Speaker, we are not working in silos. All of our Ministers are being ably supported by our Parliamentary Secretaries who have uppermost in their minds, our ambitions and goals.

Indeed Mr. Speaker, I must not forget that all of these goals that I have outlined and those that have been mentioned by the Honourable Minister for Finance all apply equally to the entire Cayman Islands and I specifically want to emphasise in relation to our wonderful Sister Islands of Cayman Brac and Little Cayman. We want to see growth, we want to see educational opportunities there. We want to see an approach of sustainable development there; we want to see opportunities there for the people of our Sister Islands. So all of this applies to the entire country, Mr. Speaker, lest there be any doubt.

At the heart of all of our decisions is good governance, which in turn leads to more effective government. Shortly, we will create:

- Fully functioning constituency offices;
- Work to implement District Councils;
- Introduce compliance officers for each ministry; and
- Implement a code of conduct for both Parliament and Cabinet.

Frankly, Mr. Speaker this is all going to take careful allocation of money, so I will go over some of the financial highlights of the SPS.

Operating revenues which total \$2.7 billion over the SPS period are driven by the continued strong performance anticipated in the financial services sector and the local real estate market, together with the

planned full re-opening of the Cayman Islands borders to stay-over tourism in November of this year.

Fees from the financial services sector are expected to contribute revenue of \$1.1 billion over the 3-year period ending 31<sup>st</sup> December, 2024.

Operating expenditure, which totals \$2.6 billion over the SPS period will be used over the next three years to fund our key priorities. The government is forecast to maintain positive operating surpluses of \$25.5 million, \$34.3 million and \$65.2 million in 2022, 2023 and 2024 respectively.

Government is forecast to maintain cash balances of \$441.7 million or 167.1 days of executive expenses in 2022; \$352.5 million or a 125.2 of executive expenses in 2023, and \$291 million or 94.3 days of executive expenses in 2024. The reason for the decrease in days over time Mr. Speaker, is that the Government intends to utilise the established \$330.5 million line of credit to help fund forecast capital expenditure. This borrowing was a provision made by the last administration based on the anticipated devastation to the economy from the COVID-19 pandemic. It was a reality no one wanted to face, but one that is still looming large. Again, I thank the past administration for their foresight and for the banks that agreed to provide this facility to the Cayman Islands Government.

Core Government's debt balance is forecast to be \$499.1 million at 31<sup>st</sup> December, 2022; \$446.4 million at 31<sup>st</sup> December 2023 and \$398.8 at 31<sup>st</sup> December 2024.

Mr. Speaker, these are just some of the highlights of this SPS. We will know more about the country's finances when we return to Parliament later in the year to discuss the budget, but what I will tell Members of this honourable House and the public, Mr. Speaker, is that the recovery of the Cayman Islands economy and the safety of the people are our top priorities at this point. We recognise that choices have to be made within prudent financial limits, to help counter the impact of the COVID-19 pandemic.

Mr. Speaker, this Government remains steadfast in its commitment to delivering its programme to improve the quality of life for all Caymanians, while balancing the need to manage the country's finances in a people-driven, accountable, competent and transparent manner.

Mr. Speaker, I thank the Deputy Premier and Minister of Finance and Economic Development, the Financial Secretary and their entire team, for their ardent work in putting this SPS together—we will gather again soon to work diligently on the budget.

I also thank all Members of my team and the wider Civil Service who had a hand in the Strategic Policy Statement for the period 2022 to 2024. Your dedication to this country—our country—and our people, is profound and much appreciated.

Thank you, Mr. Speaker.

*[Desk thumping]*

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

The Honourable Leader of the Opposition.

**Hon. Roy M. McTaggart, Leader of the Opposition:**  
Thank you, Mr. Speaker.

Mr. Speaker, as Leader of the Opposition, I have not had the opportunity to have a sight of the speech that the Premier delivered. I am going to ask if there is any possibility that we could take the lunch break, give me a chance to consider that and deliver my remarks afterwards.

**The Speaker:** I am sure that the Government will agree that is a fair request and so we will take the luncheon break at this point come back at 1:15pm.

Honourable Members, some Members are indicating that they need a bit more time because of other matters going on, so 2 o'clock?

The House will suspend until 2pm.

**Proceedings suspended at 12:09pm**

**Proceedings resumed at 2:16pm**

**The Speaker:** Proceedings are resumed. Please be seated.

When we took the luncheon break the Honourable Leader of the Opposition had risen. Can Members on the left say where he is at? Is he intending to speak?

**The Speaker:** He's on his way.

*[Pause]*

**The Speaker:** Honourable Leader of the Opposition, when we took the break you had risen. Do you intend to carry on?

The Honourable Leader of the Opposition.

**Hon. Roy M. McTaggart, Leader of the Opposition:**  
Thank you, Mr. Speaker.

*[Pause]*

**Hon. Roy M. McTaggart, Leader of the Opposition:**  
Mr. Speaker, I rise this afternoon to provide the Opposition's initial response to the Government's Strategic Policy Statement (SPS). Several of my colleagues will also make their contributions to the debate on the document.

I admit, Mr. Speaker that as I listened to the Premier speak, I found myself reflecting on the irony, regarding the different positions the Premier and I find ourselves in today. I know that the Honourable Premier will remember that we were both first elected following the 2013 general election. At that time, he campaigned

as a member of an organised political party—The Progressives; I campaigned with a coalition of independents who joined forces before the election as the Coalition for Cayman. Today, we face each other, me as Leader of The Progressives' Party and the Leader of the Opposition, and he as Premier, in a Government comprising a coalition of Independents. Mr. Speaker, politics, like life, certainly has interesting twists.

Further Mr. Speaker, not long after the 2013 elections, I was invited to join the now Premier as a member of the Progressives Government, though as an independent member. However, before the term ended, I joined the party. I joined the Progressives because of the strength, coherence and focus that the party brought to politics and to the policies we created to make our three Cayman Islands a better place. A coherence and focus that enabled—shortly after taking Office—the then Premier the Honourable Member for Red Bay, to speak to the country with clarity and certainly about what our government stood for and what we had collectively determined we would achieve. This helped create confidence in Cayman's future at a particular time when that confidence was shaken. It also created confidence in the UK that we were a serious government that they could trust to deliver on what we said we would do. And deliver we did. I was proud to work alongside the now Premier and we achieved a tremendous amount together in those four years in government.

Indeed, I was appointed his Councillor to the Minister of Financial Services. As a member of the Progressives, I was also proud to campaign alongside the Premier in our 2017 election platform. The plans for government in the Progressives 2017 Manifesto eventually became the basis of my first national Strategic Policy Statement as Finance Minister in 2017. Strategic policies that the last Progressives coalition government took forward, again achieving much for our Islands, despite the impact of the pandemic. Although we are now on opposite sides of the political spectrum inside this Honourable Parliament, Mr. Speaker, I still consider him my friend.

The Premier quoted Thomas Jefferson in his remarks at the Chamber's Legislative luncheon last week, so I will do likewise. It was Mr. Jefferson who said, **"I never considered a difference of opinion in politics, in religion, or in philosophy, as cause for withdrawing from a friend."** I echo that sentiment, Mr. Speaker. Though there will be times, like today, when in the cut and thrust of policies, we will debate and argue fiercely in this House and in this Parliament and outside of it; I trust we will both be doing so for the country's benefit.

The desire to achieve what is best for these Cayman Islands will continue to unite us through the months and years ahead, even if we may at times disagree over how to achieve that desire. We on this side understand that even when elected together on a common platform and common purpose, there will always

be challenges, but that common platform and purpose usually brings heads together, and through collaboration, there is resolution.

I hope, Mr. Speaker, for the benefit of the country, and the benefit of my friend the Premier, that despite the rumours that abound about the divisions in the Government that they are indeed just rumours, and the Premier has been able to bring his team together to achieve the same level of unity and ability to deliver for the benefit of the country, as the two Progressives Governments did. Time will tell us.

So much for reflection.

Now to continue with the business before us, Mr. Speaker.

First, I must offer my thanks this afternoon to the Honourable Premier and his Finance Minister for their speeches and the delivery of the Strategic Policy Statement. It was good for the country to hear, at long last, what the Premier and his Government think about our Islands' future and how his PACT Government will address the challenges and opportunities that the future will bring, particularly regarding the re-opening of our borders to tourism.

I say "at long last" Mr. Speaker because, of course, it has been three long months since this Government took Office, during which time the country has been left mainly in limbo, if not adrift. I appreciate that the Premier and his PACT Government needed to go on team-building exercises to create their policy ideas, make decisions and find the cohesiveness and bring them all together; but Mr. Speaker, the issues facing Cayman are immediate and pressing, not least the question of opening our borders and getting all parts of our economy growing once again. In looking to form a Government, one would have thought that the critical matters of State would have been front of mind for the Premier and those closest.

The Premier noted shortly after the election that he and his colleagues, and I quote, *"... chose to focus on the 95 percent that we have in common and ignore the 5 percent in respect to which we differed . . . We chose to focus on what united us, as opposed to what divided us."* That is laudable, but to those of us looking on the outside Mr. Speaker, it appears that the 95 percent they had in common did not amount to much, given the time it took them to say what their collective plans are and even then, not so much has been said here today; however, let me be kind, Mr. Speaker and note that perhaps what is important is that they seem to have gotten there and with some semblance of policies and a direction.

By contrast, as I indicated before, in 2013, the newly sworn-in government was able to present an interim budget in short order and we were able to go to the UK to provide them with a credible plan to recover government's finances and re-boot the economy following the recession.

Mr. Speaker, I have heard some on the government benches saying that the country needed new leadership following the election—

**The Speaker:** Honourable Member...

**Hon. Roy M. McTaggart, Leader of the Opposition:** Yes, sir?

**The Speaker:** You just mentioned a date. What date was that?

**Hon. Roy M. McTaggart, Leader of the Opposition:** 2013.

**The Speaker:** 2013.

**Hon. Roy M. McTaggart, Leader of the Opposition:** Yes, sir.

**The Speaker:** Okay.

**Hon. Roy M. McTaggart, Leader of the Opposition:** Mr. Speaker, I have heard some on the Government benches saying that the country needed new leadership following the election; that is their view, but many others would disagree.

What I have come to realise is just how many members of the Caymanian public believe that over the last three months, there has been a remarkable absence of leadership. What we have had for the most part is a lot of silence, but occasionally, Mr. Speaker, the silence has been punctuated by an announcement that the Government was cancelling something.

First, we had the cancelling of the much-used and much-loved George Town Shuttle bus. That decision was taken despite the figures demonstrating that the service had grown significantly and it was being used by over a thousand passengers a week. It was a programme that we on this side had plans to continue; our plans also included moving to electric buses as soon as we could.

For all the rhetoric about the environmental credentials, Mr. Speaker, one of the first acts was to cancel a Public Transport initiative that was contributing to carbon-reduction and helping make the shift to a more environmentally sustainable form of transport. Many individuals, including civil servants, parked their cars and used the convenient free bus shuttle for trips to the banks, Credit Union, supermarket, hospital, and many stops in between—I had occasion to use it several times.

It helped the public gain confidence in public transport around town; it was also relied upon by many older persons in the community, who did not have their own vehicle. People will not make the transition to give up their cars and use public transport if they cannot rely on the public transport options being maintained. In our view, Mr. Speaker, the Government's decision was

short-sighted and I noticed that nothing was said in the SPS today about reinstating it. It is a shame.

Next, Mr. Speaker, the country was treated to the Honourable Minister for Agriculture announcing that he was cancelling the Farmers' Assistance Programme for certain segments of it, one week after praising it and promising his colleague, the Education Minister—who started the programme—that it would be kept. I remind the House, Mr. Speaker, that the programme was assisting some 1,200 people in the agricultural sector, including backyard farmers licensed by the Department of Agriculture. If there were deficiencies in the programme, it would have been preferable to fix them rather than to cancel the programme outright, but again, we do not see anything in this SPS about encouraging farming.

Finally, the Honourable Minister for Tourism and Transport announced that he would be cutting in half, the tourism workers' stipend starting in November. I was really pleased to see that they have agreed to continue it. But Mr. Speaker, not to be outdone by the Grinch, the Minister and the PACT Government are, in effect, cancelling Christmas for the more than 3,000 tourism workers and their families who rely on the stipend. Our hard-hit tourism workers can determine for themselves whether PACT indeed is as people-driven as they say they are.

Three announcements. Three cancellations of things the previous government was doing that really made a big, tangible difference in the lives of everyday Caymanians. A service that provided over 1,000 bus journeys a week—cancelled. Assistance for people in agriculture—cancelled. Stipends being slashed for 3,000 tourism workers—not cancelled, but certainly of significant negative influence and effect on those affected.

Mr. Speaker, as we prepare for the eventual return of tourists, the planned road works for the West Bay Road, our main tourism area, were stopped. So too was the planned work for the first phase of the long-awaited Airport Connector Road between Esterley Tibbetts and Sparky Drive. In fact Mr. Speaker, I am hearing that this long-needed connector road is also now being cancelled. I hope I'm wrong, but improving our road network is one of the vital infrastructure developments that will support future economic growth, Mr. Speaker. Now that, too, has moved on to this Government's list of cancellations. Even with its few actions, the PACT Government has managed to win itself a reputation for failure when it comes to doing things that really matter to average Caymanians.

In the interest of balance, Mr. Speaker, I must give the Premier due credit for a positive announcement he made. He has announced a weeks ago that he wants to see more diversity in Cayman's public boards. I welcome it, Mr. Speaker. There is no detail in the press release issued by the Premier on just how he intended to achieve it, nor did he give any details when he referred to the measure at the Chamber luncheon,

but details matter, Mr. Speaker. Announcements of changes are one thing; making change happen is the more difficult part.

I would counsel the Premier that when we were in Government, we found that the critical issue in respect to the makeup of public boards was how to stimulate more diversity among those willing to serve, rather than in the appointment process itself. I believe that he understands this very well, so hopefully we can work together to improve diversity in decision-making across our Islands. We will support initiatives the Government takes to stimulate greater interest among under-represented groups about serving on public boards.

Before I move on, I want to take a moment to welcome those new Board member appointments who have agreed to give up their time to serve their country. I also want to thank those members of outgoing boards who agreed to serve and stepped up when they were asked to. The work they do as a board member is often underappreciated and misunderstood by many in the public and the media, yet they still agree to serve. We thank you, and the country thanks you for your contribution to the advancement of our beloved Islands.

While I welcome the initiative to improve diversity on public boards, Mr. Speaker, I just have to question whether that was the issue at the top of the list of concerns that the public was expecting a new Government to address. I suggest that some folks would have suggested one or two more pressing priorities that the Government might have turned attention towards.

We in the Opposition have said that we do understand that the lack of experience in the current Government will hamper getting things done. That is inevitable Mr. Speaker, even if it is undesirable. We have also said that we hoped that the experience and expertise of our professional and dedicated civil servants would help to make up for the lack of experience amongst the elected Government. On this side of the House, we understand just how important the support and advice of civil servants are for sound decision-making in government.

Mr. Speaker, in the April elections, the Progressives-led Alliance put forward a comprehensive vision for the next four years, backed up by detailed commitments to deliver the country's priorities. Our plan for a "Stronger Safer Future", demonstrated how we could build on our successful track record in government. It set out a plan that could deliver a return to prosperity and make a difference in the everyday lives of Caymanians. That plan was the basis upon which every Member on this side of Parliament stood last April and was re-elected. We owe it to those thousands who voted for that plan, we owe it to the country to advocate for what we know to be the correct actions for the Government now to take, and we will do so in this House and outside of it.

As we know Mr. Speaker, the single biggest issue that the Government needs to grapple with is the

re-opening of Cayman's economy and the need to find a safe and secure path back to success for Cayman's tourism. Linked to this, in our view, is to get to at least 75 per cent of our people vaccinated for a safe re-opening.

I note that in announcing what he called a 're-opening plan' to the Chamber last week, the Premier used a vaccination target of 80 per cent. That after having already revised up the population estimate by some 6,000 people. So, the Government now wants a higher proportion, of a higher population, to be vaccinated before reopening. Mr. Speaker, without further information, this looks suspiciously like the means to excuse the delays in setting a realistic target that will take longer to achieve, if indeed at this rate it is even achievable. I have doubts about the population figures of 71,100 persons as the Government now claims.

### POINT OF ORDER

**Hon. Christopher S. Saunders, Deputy Premier:** Point of Order, Mr. Speaker.

**Hon. Roy M. McTaggart, Leader of the Opposition:** Pardon, sir?

**The Speaker:** The Honourable Finance Minister has risen on a Point of Order.

**Hon. Roy M. McTaggart, Leader of the Opposition:** Okay.

**The Speaker:** What is the Point of Order?

**Hon. Christopher S. Saunders, Deputy Premier:** Mr. Speaker, the revised population number was provided by the Economics and Statistics Office (ESO). The very same competent ESO that the Minister relied on when he was there and that's the same thing that this Government is relying on while we are here, so there is no political interference in numbers. Those numbers came from the Economics and Statistics Office and as a matter of fact, I will just ask that the memo that was sent to us be forwarded to the Leader of the Opposition as well, so he can get the same information that we got.

**The Speaker:** I think he is offering you some information.

**Hon. Roy M. McTaggart, Leader of the Opposition:** Mr. Speaker, I understand.

When they were talking of it, the Government did not say how the data was derived, but let me finish what I have to say. I think I will provide clarity as well, because I know where we on the Government side got our figures from when we were using the 65,000-plus, in terms of the population and that was from the Labour Force Survey that was done in the fall of 2020 and published in March 2021.

I can give you the page Mr. Speaker, and I will read verbatim: “For the calendar year ending December 2020—“

**The Speaker:** If you are going to read something, can I have a copy of it?

**Hon. Roy M. McTaggart, Leader of the Opposition:** Yes sir.

The estimated population—

**The Speaker:** Before you read it.

[Pause]

**The Speaker:** Please continue, Leader of the Opposition.

**Hon. Roy M. McTaggart, Leader of the Opposition:** Thank you, Sir.

Mr. Speaker, the document says very plainly on page 10, that the population of the Cayman Islands was estimated at the end of December, 2020 at 65,786 persons and, that was the basis of our calculations for the data. I don't see the 71,100 population that the Minister for Finance has told me came from the ESO. I went on their website and looked for this information; it doesn't exist there, that I can tell. Someone needs to explain to me and that's why I look at it with a bit of scepticism.

What I do know Mr. Speaker, is that in making this increase, they have now given the country a huge hill to climb and in so doing, have likely created a near impossible goal to get to 80 per cent vaccinated, particularly, if you are unable to vaccinate children under the age of 12, who comprise a very significant portion of the population. Additionally, with no clear date to open, many people are not going to get motivated to get vaccinated. I hear it all the time. I hear it almost every day of life, Mr. Speaker: *I am in no rush to go; they don't have a date to reopen, so I will go when they tell me I have to.* That is one way we can really get the numbers up to where we need to get them— when there is a deadline and people are forced to make that choice.

In addition, there are many Caymanians alike, who have said quite openly they are not going to take the vaccine. So you have elements there of people of our population who are resistant—and resisting—and I would suggest, Mr. Speaker, as a country, we cannot be held hostage by those.

In the end, Mr. Speaker, this is not just a numbers game; it is about having a safe and credible plan, whichever threshold number is used. We in the Opposition have been pushing the Government to come out with such a plan; and so last month we urged the Government to give notice of a September opening date to provide local businesses sufficient time to plan to welcome guests properly, after some 18-months of the borders being closed to tourists.

We said at the time that such a re-opening plan, in our view, should include:

- A published date of September 1<sup>st</sup> for reopening;
- Tourists and residents arriving in the Cayman Islands on or after that date with proof that they have been fully vaccinated, with guidelines set by Public Health, would be able to land without the need to quarantine;
- Public Health would need to advise on what testing requirements would be required for fully vaccinated people; and
- Un-vaccinated tourists and residents would still be required to quarantine for up to 14 days.

As we noted last month, a September opening date provided time for vaccinations here and in the USA to continue and increase significantly. It also allowed our tourism businesses and government entities to prepare to accept tourists again, including hotels hiring Caymanian staff; and it would have enabled airlines time to schedule flights. Of course, after the border opening, our Covid-19 vaccination programme would continue to vaccinate even more people locally.

Now, I understand and I have heard the Premier say that they want to be able to safely verify that people have been vaccinated, but the real problem you have is in the United States—we know that. The truth of the matter is, within the US you are not going to get to the point where you can have the programme independently and judiciously verifying people's vaccination status because many of the States where our tourists come from, the republican governors will not let them do it. They cannot even ask. So my point, Mr. Speaker, is that we are making it more difficult for ourselves in terms of achieving any semblance of reopening of our economy.

We know that neither stayover nor cruise tourism will get back to 2019 numbers overnight; however, as we have said, the Government now needs to set the stage for a tourism recovery while assisting unemployed tourism workers. The Government cannot continue with an absence of leadership on this and related issues that require urgent attention and a re-think of the decisions that have been made. It was our submission to the Government and the country last month.

Of course, a defined re-opening date would have also provided the necessary signal to our local population that there was a deadline we are working towards and would have encouraged more to take up the vaccinations.

The approach to re-opening outlined by the Premier last week, in our view, really does not give us the type of plan and confidence that is needed. It is very difficult to rely on anything in there, when you have such high thresholds to achieve. At the very best, what it is, is a list of dates—themselves provisional—with changes to quarantine and vaccination requirements that might come into being. There is no certainty on



how thresholds will be achieved or how reopening will be properly planned and implemented. And so, Mr. Speaker, I fear as I said just now, that the public will likely follow the Government's lead and will also wax and wane regarding getting vaccinated.

As I said earlier, Mr. Speaker, it seems to me improbable, that the Government will even hit their 80 per cent local vaccination trigger or even begin what they term the "Limited introduction of Tourism" on September 9<sup>th</sup>. The numbers that we have to achieve in the remaining weeks are quite significant.

So how then can our tourism businesses truly plan, Mr. Speaker, when there is doubt as to what will actually happen? How can our airline partners plan without some kind of committed opening date? They tell us that they need six to eight weeks in order to get a schedule of flights into this country. Even if we are able to meet the 80 per cent vaccination rate, we do not know at this point, how many tourists will be allowed to land every day or every week as part of the 'Limited Introduction of Tourist'. Airlines need to know this information, Mr. Speaker, to determine how many flights they can do, on what days, if any at all.

Mr. Speaker, what is disappointing is that the full Welcome Back for tourism is scheduled for January 27<sup>th</sup>, next year, and according to the document that I saw it is an assessment date. So, in reality, at this point, we really do not have a firm date for reopening.

Just to illustrate further, Mr. Speaker, it appears that they are not even contemplating a proper return to stay-over tourism until next January. No cruise visitors will be returning any time soon. At best, we can expect a very limited number of tourists from sometime in September, if an ambitious vaccination threshold is reached. Yet, we heard the Minister for Tourism several weeks ago, announce a cut in the stipend for over 3,000 tourism workers, on the basis that tourists will be back and creating sufficient work from November. None of this, Mr. Speaker, makes a sense to me at all and I may have missed something publicly, but I am not aware so. I suspect it makes no sense to people outside this Parliament either.

Mr. Speaker, we on this side are convinced that unnecessary harm continues to be inflicted upon our central tourism business sector, and to the wider country. I suspect that you also hear a lot of these complaints in your constituency, given the number of people who are out of work and unable to make an honest living.

**The Speaker:** You know that I cannot speak, but I did not get those kind of complaints.

**Hon. Roy M. McTaggart, Leader of the Opposition:** For a plan to be credible, it needs to set out the detail on how the changes will be managed, so whether we believe their re-opening timetable is achievable or not, the next outstanding question is, what can we glean on

how they would go about re-booting our tourism product? What strategy did they set out in the SPS, ready to implement, for supporting the opening of Cayman's tourism industry? The answer is, Mr. Speaker, very little of substance, let alone present a clear plan for its recovery. Not one single plausible word on the future of stay-over tourism.

Mr. Speaker, the Premier noted that the Minister of Tourism brings energy. I have to second him on that one; but sadly, we are discovering that there is no substitute for knowledge, experience, commercial-know-how and strong local and international networks like the last minister had.

Mr. Speaker, I would urge the Minister, and the Government, to have a look at "The Road Back to 500K Air Arrivals Strategic Tourism Plan" that was started by the Member for Cayman Brac West and Little Cayman when he was the Tourism Minister. That plan will probably now need to be updated, but it is a good place for them to start considering the recovery of tourism and developing a credible and coherent plan. Neither did he make any mention about what shape cruise tourism would take in the future—nothing said. We advocated, following the election it would be essential to have a national discussion on the future of cruise tourism that could help guide the restarting of this important sector. I was delighted to hear this morning, that they appear to accept that and move forward. We really have an opportunity here in relation to cruise tourism, to reset the bar and to define what is it that we really want for that industry. I think the country is expecting that from us.

Mr. Speaker, I like to give credit where credit is due; I have said that I applaud his decision to bring diversity to Cayman's boards and while the diversity initiative is welcomed, really, I would have rather see that he announce a real plan for bringing back prosperity to the country. It really is affecting business confidence in a bad way, not just for our hotels and our tourism product, but our restaurant industry. They are hanging on by a thread. That is the reality of the situation.

They have borrowed money to help them through, but they have now exhausted those borrowing and those borrowings now have to be repaid and yet still, for the majority of them, they are really only operating at maybe 10, 20 per cent level, in terms of it. You have a couple that are really doing well—they are the most popular ones on the Island—but many, many, are in dire straits and we need to find a way. We are now 16 months into this pandemic that this segment of our economy has been closed. Who in the world can survive? It is a miracle that many have survived that long.

So I know, that there will be some sectors today, like financial services, who will welcome some of the initiatives mentioned here. Even they, however, will need to see more detail before they can have any real confidence; but as I have noted, the tourism sector will not likely think these so-called strategic policies provide much optimism for the next tourism season. You only

have to look at the Cayman Islands Tourism Association's (CITA) response in today's *Compass* with regards to the reopening plan. Many of the things I have here, are the things they are criticising and saying they lack; they are no further ahead than they were two months ago.

*[Inaudible interjection]*

**Hon. Roy M. McTaggart, Leader of the Opposition:** Now, Mr. Speaker, we understand that in the ordinary course of government business, the SPS is just a statement of direction, rather than a detailed programme. That programme is going to come later, in the formal budget proposals brought before the House later in the year.

We also understand very well, that not every decision taken in the run-up to an SPS will survive the budget process later in the year, and so it is important to have sufficient meat on the bone of the SPS to make it credible and better aid in the budget preparation process later in the year.

Mr. Speaker, I have to be honest and say that we on the Opposition benches expected more than we have heard today from the Premier and the Finance Minister. When he was Premier, the Member for Red Bay, along with me as Finance Minister, used the opportunity of the SPS statement to put rather more flesh on the bones of government's plans than we have heard today. We understood that it was an important opportunity to do more than just comply with the law, in terms of Tabling something in the House.

The former Premier and our Government used the SPS as an opportunity to communicate with the country outside of this place. We understood the importance of giving clarity and certainty to the country, and direction to the government, so that when the detailed programmes were drawn up they could be seen as implementation of the government's declared intent.

*[Pause]*

**Hon. Roy M. McTaggart, Leader of the Opposition:** Mr. Speaker, I probably will be accused this afternoon of being overly critical. It might be suggested that I should cut the new Premier and his Government a little more slack; I acknowledge and we recognise that they are new to this, but the challenges facing the country are too significant for us to just sit around before they can agree on real priorities and real solutions, particularly in terms of our reopening.

So, I am being a bit critical, I understand, but I want to make one thing abundantly clear to everyone in this House today: we, on this side of the House, have no interest in seeing your Government fail. We cannot afford this, however, we do see some real risk and we all share a responsibility to try to avoid that possibility actually happening. Therefore, throughout the debate

on this SPS, the Opposition will offer additional suggestions for action that we hope might help to guide Ministers in getting to grips with what actually needs to be done. Most of our suggestions are developed out of the plans we set out in our election manifesto. First and foremost, and obviously, we think they are the right plans, however, we also put them forward now, because as the re-election of so many of us showed, they are plans that we believe have widespread support in the community. So I urge those occupying the Government benches to listen closely to what my colleagues say during this debate.

It is our job as the Opposition to oppose, but it also right in these circumstances that we offer solutions, not just criticism. I hope that in the same spirit, Ministers will accept what are well-thought-through set of plans, rather than rejecting them just because they have come from these benches. And so, in the spirit of offering constructive remarks during this debate, let me suggest three overriding priorities that the Government should focus on trying to achieve:

The first is to restore Cayman to its path of sustainable, long-term economic growth. Meeting the immediate challenge of opening up our economy is but one step on that path, Mr. Speaker, yet faced with the challenge of taking that first step, it seems that the Government is faltering.

The country needs and deserves more than just suggested dates that are hedged by caveats. It needs clarity and a Government that can be trusted to ensure that whatever the date that is finally selected, the process will be properly and safely managed and executed. Even today, we have not heard the clarity that is really needed, nor do we get the sense of conviction, that would reassure those of us on the Opposition benches and the wider public that they are getting this right.

Trust in our Government, although the last government, to do the right things for Cayman was hard-won over the last 18 months. The Government can benefit from that trust if they will act and listen. And even as we plan for, and take that first step to open Cayman Mr. Speaker, the Government should be thinking about the longer term.

The second priority, Mr. Speaker, is to get the balance right between accommodating growth and protecting Cayman's precious environment. This presents a challenge for all of us, and I suspect that is particularly so in a Government containing such diverse views on how such a balance should be struck and it does not help, Mr. Speaker, when one of the Government's Ministers has already set off in the wrong direction, cancelling the George Town shuttle bus service, instead of using the programme to promote the switch to sustainable transport.

I urge the Government to bring forward plans for a future public transport solution for these Islands at the earliest opportunity. They will not have to look far, as the work was already started under the Member for

George Town North when he was Minister. He previously told this House that he asked his Ministry to proceed with procuring expertise in public transport to recommend the best options for us to consider. Indeed, our 2020/2021 SPS noted that *“Government will commission a specialist mass transportation study to analyse the options available for us to achieve the necessary step-change in public transport that the country needs”*.

Like many things, these plans were hampered by COVID, but the Ministry was preparing to come forward following the election, so I urge the government to ignore where the plans came from, but instead let us just move forward; let us see what are our best long-term options, rather than trying some Band-Aid approach.

More broadly, I welcome the sentiments expressed by the Premier about the need to preserve Cayman’s precious environment; but, as I have said, Mr. Speaker, sentiment is not enough. We need to know what action the new government intends to take. I hope that at least on this issue, the Government can try to build on the strong position that the last Administration left for them. As well as advancing the marine parks and other conservation initiatives, the last government did at last, solve the most pressing environmental problem facing the country by completing the work to put in place a sustainable waste management solution that meets our country’s needs for decades ahead. I noticed, Mr. Speaker, that any mention of the project was conspicuously absent from the speeches today.

Mr. Speaker, I hope you will forgive me if I pause here to put on record the thanks of everyone on the Opposition benches, and I hope I can speak for the whole House too—I know I can—for the services done for Cayman by Mr. Peter Ranger, who sadly passed away in May. As project manager for what is now the ReGen Project, Mr. Ranger provided much needed expertise to my colleague, the then Minister for the Environment, in getting the contract with Decco over the line. On behalf of all of us, I extend our deepest sympathies to his family, and to his colleagues, who I know are still mourning his sad loss.

The project is an extremely complex one, but much of the heavy lifting has already been done, and we are very close to solving a problem that has been around for decades. Let us get this done Premier; let us truly close the landfill once and for all and provide a modern waste management facility that will also feed our energy grid.

One of the fallacies that continues to be trotted out in the debate over Cayman’s future, Mr. Speaker, is that there is somehow a choice between development and protecting the environment—there is not. The choice is not a binary one, not least because as the ReGen project demonstrates, that development is often the way to solve environmental problems. I hope by it

not being mentioned once today so far, that this does not indicate that the project will be stopped.

The question is not whether we need development, but what type of development we need and where it should be located. Answering that question, and getting the balance right requires long term sustainability planning and I welcome what the Premier has said about the PACT Government’s intention to produce a new national development plan. Again though, we need to see the details of the review that the Premier has said he will begin. There is an obvious place to start and that is with the Plan Cayman approach, pioneered by the last Administration.

The extensive consultations we carried out on the shape of future development for our Islands provides a platform for the Government to build upon and complete the project. Continuing that approach represents the best opportunity to have a long-term development plan that will be refreshed on a regular basis. It is a logical and sensible approach to a national need that has evaded several governments since the last attempt in the early 2000’s. Hopefully, the Plan Cayman approach, and the work completed to date, will not be cancelled by the Government as an online media site has recently suggested might occur. If it is cancelled, Mr. Speaker, then I fear that the Government should expect the same result as all Governments, since the plan was last updated in 1997.

Returning to the environment for a minute, Mr. Speaker, I must say that we share the Premier’s concern for climate change. Perhaps, though, we differ on where the real effort of Government should be spent. It is important that we play our part in reducing our carbon footprint and certainly ReGen will assist in this.

Page 10 of our manifesto contains some 17 proposals to help address the risk of climate change, including updating our climate change strategy to take on-board the results of the technical assistance and advice from the UK on climate change risk mapping and mitigation. This work on climate risk mapping was agreed by our government and I am pleased that the work will be started by the UK and the results made available to us. Whilst a country like the Cayman Islands does not contribute to the global climate change in any truly significant way, we are significantly affected by it, and so the risk mapping and mitigation must be the main area of focus for us. Having said that, Mr. Speaker, that does not mean there are things that we cannot do, and we must look to do and play our part in reducing the effects of this climate change.

Finally, the third national policy should be to continue the improvements in Cayman’s public schools. I must say that I regret the decision taken by the Honourable Minister for Education to join the Government, but if there is a positive upside, it is that she stands as a beacon of competence and reassurance in the Government. She has been there for nigh on four years and she was one of the architects of the education change programmes that have seen public schools

and student attainment improving throughout government schools. She understands what it will take to drive further success.

I know she has the plans on her desk and I hope that she has been able to persuade her new colleagues to back her plans and give her the resources she needs to see the job through. Not a lot was said about this today, but I trust that the Government will see the recent improvements in Education and to continue with the plans that got us there. I welcome the Premier's remarks about the benefit of having the Minister for Education continue in the role to ensure that there can be continuity. I therefore have hope that the education reforms already started will not be cancelled, but they will continue and that they will bare much fruit.

That said, Mr. Speaker, I join with my colleague for George Town South, the Opposition's spokesperson for Education, when she recently congratulated and thanked the Minister for continuing a programme of enhanced scholarships, especially for those young Caymanians going into teaching. I say 'continuing' because the enhanced scholarship programmes were started and agreed when we were in government before the general elections. What will be important now, Mr. Speaker, is that we do not put many obstacles and hurdles in front of students and their parents that will hinder quality candidates from applying for the scholarships. The Minister will remember that this too was an issue that we discussed when continuing these scholarships.

I was pleased to hear the Premier speak to affordable housing at the Chamber Legislative Luncheon and again today, Mr. Speaker. It is an area that we can probably support the Government on. Indeed, in our Manifesto we had highlighted the following initiatives as needed:

- Appoint a Parliamentary Secretary to assist the Minister responsible for Housing to ensure there is a sustained focus on new and innovative affordable housing initiatives and to promote the available programmes. It would also give it the right visibility within the Government;
- Develop more affordable home rentals and home ownership schemes alongside that of the National Housing Development Trust (NHDT). This can be done by incentivising private sector developers to cater to these markets, including social landlords in the rental market;
- We propose to increase the First Time Caymanian Homeowners threshold to allow homes costing up to \$500,000 to be purchased duty-free and amounts above that to be charged 2 per cent duty. Land to build a home on up to \$150,000 would also be available duty-free for first time Caymanian purchasers;
- We also sought to introduce, with local banks participation, an updated Government Guaranteed Home Assistance Mortgage Scheme

(GGHAM) and to promote a Build on Your Own Land scheme.

The GGHAM programme, Mr. Speaker, has been one of the most successful programmes that the Government has had, in terms of assisting Caymanians to be able to acquire a home where they otherwise would not qualify, had they just gone straight to the banks themselves. And what has happened over the years of the GGHAM is that yes, there have been defaults; yes, there have been situations where the Government guarantee has been called by the banks, but what is happening in those cases Mr. Speaker, is that the experience on that programme is no worse than the commercial banks are experiencing—and that was the intent.

Finally, Mr. Speaker, we sought to ensure all new NHDT homes are built to accommodate solar energy to reduce electricity costs for homeowners. It is not just on affordable housing that action is needed; there are a host of other initiatives that we believe are necessary, but not much has been said today on what Government actually intends to do. I will only point to a few things:

We need to look at more affordable public options for health insurance, home insurance, and pension plans that can exist alongside those offered by the private sector. These issues were mentioned by the Chamber last week as some of the most pressing issues currently impacting the private sector. We were ready to take action.

I would also urge the Premier to accelerate action to complete two important pieces of work that our administration was working on:

- First, the Government must complete the minimum wage review over this year and seek to establish the level as is necessary to ensure that it meets and continues to meet the objectives for which it was established;
- Secondly, I urge the Government to complete the review of the Customs Tariff Act and seek to remove import duties from necessary products such as medications, disposable diapers, processed baby foods, feminine products, and birth control products. In addition, we need to take a holistic look again at reductions on food products with import duties. That, Mr. Speaker, can make a real impact on the lives of every Caymanian in this country.

Mr. Speaker, I was also pleased to no end this morning, to hear about the Government's initiative on ensuring no child in school goes hungry. We also welcome the steps to increase assisted living; however, for both of these initiatives there was nothing said about what actions will be taken, but I hope that once these are understood, we will be in a position to support these as well. On the face of it, they are good programmes—let us see the details.

Mr. Speaker, we have again recently seen a spate of gun crime in the community. We worked hard in government to provide the RCIPS with the means to tackle gun crimes, and indeed all crimes, to ensure the safety of our Islands. I am hoping that the Government will continue this support and support the various interventions that seek to prevent crime, especially gang-related crime.

As I indicated in my statement last week, all gun crimes are concerning, but the recent ones we have witnessed are particularly ruthless, especially considering that a lethal automatic weapon was used to shoot indiscriminately in public places. This type of crime is not something we are used to seeing, nor something that should ever become the norm in our society.

As I indicated last week, the Opposition fully supports the measures agreed to address these deeply disturbing gun crimes decisively and I acknowledge, as a member of the National Security Council, the decision taken there last week; but other things may be needed and we really need to put our collective heads together on this.

Some have called for a gun amnesty, though form and timing of any such amnesty will need to be carefully considered to increase its effectiveness. I again stand here today, and encourage the community at large: you all need to do your part—the Government, the police, this Parliament. We can't succeed without the support of the community in trying to get these guns off the street and to curb the serious spate of crime that is starting to surface again. We must ensure that the evil of gun and gang culture is not left to fester. It must be curtailed. Strong policing is only a part of the solution; it is not the only solution.

What is also needed over the medium to long term is to move forward with the work on the anti-gang strategy that was started under the last administration and announced in its SPS in 2019. It is important that we actively divert at risk young people away from crime and gangs and help them find their way to being productive citizens. I urge the Government today, to commit to carrying this important work forward.

We also need to look again at the link between illegal numbers games and criminality in general. Work was to have started on increasing the penalty for those involved with illegal numbers or other forms of gambling; so the Government should get that work completed or explain to the country what alternative actions it proposes to break the link between gambling and other forms of criminality.

We can all see, Mr. Speaker, that the plague of gangs, guns, and violence is impacting lives across our country. We in the Opposition will keep pressing the Government to answer that vital question, *what are we going to do to tackle it?*

On a more positive note Mr. Speaker, I am pleased that our team of young Olympians have been selected and with the support of Government, will be

travelling to the Olympic Games in Japan next month. I am sure today that the Member for George Town West is also happy to see this, given his involvement as Parliamentary Secretary to the Sports Ministry during the last term. On behalf of the Opposition, I want to wish them well. We are proud of them, and we are all going to be watching them keenly and cheering them on.

Mr. Speaker, my colleagues will speak more to these issues, but I thought it useful to mention them here to allow the Government the opportunity to provide their thoughts on these important initiatives that are aimed at making our people's lives better.

So that brings me, Mr. Speaker, to some remarks about finance. Across the eight years of the last two Progressives-led governments, sound finances remained the bedrock of our highly successful approach to government. It also served as the foundation for the confidence of the business sector. A foundation that, together with the right policies, has helped provide the most successful economy that we have seen in decades. Indeed, an economy that Economist Marla Dukharan has called the best managed economy in the Caribbean.

Let me just remind this Parliament of our track record, Mr. Speaker. Our financial success brought the government into line with the prudential ratios set out in the Public Management and Finance Act. Except for 2020, we delivered year on year budget surpluses. We invested in much needed infrastructure using cash, not borrowing, and we were able to save, so that we had resources available to meet the COVID crisis head-on. We significantly reduced the national debt, and even through the crisis, we managed to avoid new borrowing and accessing the line of credit that we put together in late 2019. Across all eight years, we did not raise fees or duties and, where it was possible, we even reduced the burden of those fees on both businesses and families.

The lesson I would urge the Government to heed is that we set out our core financial principles right from the start, and we stuck to them. Only when facing the huge challenge of a global pandemic did we depart from that financial strategy, and we did so knowing that meeting the needs of our people for immediate relief had to come first. I think everyone in this Chamber would accept that in so doing, we did the right thing.

Mr. Speaker, we all know the effects of that crisis are still with us. No one on this side of the House expects the Government to be able to just simply copy and paste our strategy. We accept that the Government is starting from a very different position than in 2017. On the other hand, the national finances are in significantly better shape and order than when the 2013 Progressives-led Government came to Office.

In his public pronouncements since the election, the Minister of Finance has suggested that he was

surprised to find that the deficit for 2021 was now forecast to be larger than previously reported. In the SPS before the House today, the number is even higher.

He lamented that no provision had been made in the pre-election financial forecast for any extension to the tourism stipend. Mr. Speaker, the Minister should know that it is the practice in Government to bring revisions in the financial estimates and forecasts back to this House on a regular basis to reflect changes in circumstances or the financial impact of new decisions. There was no policy decision taken and communicated to the Civil Service with regard to the tourism stipend, or even a number of those other programmes that are ongoing and therefore, I believe that the Financial Secretary had—rightly—not made any provision and not pre-suppose or anticipate anything without a policy directive.

The future of the stipend was a decision for the new government to make and this PACT government has now made that decision and I welcome it, but I sure hope they do not really intend to cut the stipend in November without the country being fully open to tourism and people back at work.

Mr. Speaker, I need to make this very clear: there can be and should be no suggestion that there was some kind of conspiracy afoot to conceal the size of the deficit. The reason for the increased deficit forecast is that it reflects, what I believe, are adjustments that needed to be made. Because of the fact that you were at a year end, there were late adjustments that needed to be made in government's finances and the Minister of Finance and his colleagues, should all be aware what those adjustments are—they should know. They too are now in power, and accountable for the decisions that they make.

Of more concern to me, Mr. Speaker, have been the Minister's statements that suggest that my government may have deliberately misstated the government's 2020 year end deficit by some \$48 million. Today though, I notice it has increased further by \$20 million to \$110 million in this document, as I said. I already addressed this publicly—these changes occurred subsequent to my departure from the Ministry and I do await the Minister's explanation as to what caused these adjustments, or these late booking of transactions but Mr. Speaker, I hope in his contribution to the debate—or the statement made by the mover of the Motion—that he will provide an update and let the country know. It is important to me.

Importantly, Mr. Speaker, as the Minister himself said at the very early days of their Government, the finances are in overall good shape, considering the impact of a pandemic. Today, there is certainly no British Overseas Territory in as good a financial position as we are and that speaks volumes about our stewardship of finances and of the pandemic.

I would suggest that there are very few countries in the world right now that can boast the sound financial position that we have. Everyone is screaming

and borrowing money, extending national debt; yet, 18 months into this pandemic, we have not had to resort to borrowing one penny.

The outstanding success of the last two administrations was to create surpluses that were saved so that Cayman could ride out tough economic times and that is exactly what has happened and today I will tell you that I am proud of the financial position that we bequeathed to this incoming Government.

As the past Finance Minister, I know that the point here today with the SPS is not just the numbers, but the overwhelming need to provide the Government and the country with clarity and signal the Government's commitment to staying the course.

I have heard and seen his figures with regard to the projections, and the forecast that the Government will find themselves in full compliance with the PMFA by the end of 2022 is very laudable, Mr. Speaker. In my time there, in working with the Ministry, I know the feeling at that point was that it was going to be very difficult to achieve compliance within the timeframe that is set out in the Public Management and Finance Act. That requires a three-year timetable but it is possible to extend it, and the advice that I gave to the Ministry in preparing the document and in forecasting, was that *"if we cannot make it within the three-year timeframe, we need to be straight and honest. Say so, and let us propose what the right amount is."* But I am glad to see it; it is obviously clear that things have improved and that we can get ourselves back into compliance in the one year period. I laud them for that. We remain to see whether that can be achieved, but I have hope.

Mr. Speaker, the Government's ability to manage its finances efficiently and effectively is not just important in and of itself. As the last eight years have shown Mr. Speaker, sound government finances are vital in creating business confidence. As confidence increases, so does business investment. That investment creates new jobs and economic growth. The growth, in turn, creates more government revenues. Those revenues allow the government to invest in public services and, at the same time, strengthen government's finances. That is the virtuous circle that the Progressives-led Governments achieved, Mr. Speaker.

The Minister has talked about doing things differently and better, but no one has a clear understanding of what that really means. The Finance Minister started by saying he was working towards a "goal of improving fiscal prudence", but Mr. Speaker, very little in what he said represents an improvement over our strategy when we were in Government, except perhaps, that we delivered compliance with no new borrowing. The Government proposes to borrow some \$330 million; in other words, they are planning over the next two years, to draw down fully on the line of credit that we implemented and put in place in 2020.

The Government proposes to borrow some \$330 million of new borrowing to finance capital that we

financed by revenue. I have not been able to examine the numbers in any detail, or try to tear them apart to determine if this is truly necessary. Mr. Speaker, however, whether or not you view this as prudent, it is certainly not an improvement on our track record even during the last year.

With that in mind, there are questions that were unanswered. What is the future strategy on borrowing? Does the Government intend to restore revenue financing in the longer term? If so, when?

The Minister talked about getting Caymanians into work and reducing unemployment—I am trying to remember the words he used—in such a way that it would ‘shift labour market dynamics.’ I am not sure what that means, as it was not explained, but I look forward to having it explained, along with understanding how it is going to be done and accomplished.

Is the Minister satisfied that the revenue projections are robust? Given the uncertainty of the so-called reopening plan, there must be risk attached to tourism revenues and if confidence is hit, then to sectors like construction too. That is only natural. Has the Government done any risk assessment on revenue and modelled the impacts?

Mr. Speaker, the Minister concluded by saying the Government had recognised the need for difficult decisions. That is the role of Government, Mr. Speaker and is something that we on this side understand well. There are difficult decisions to make and I encourage and implore them to get on with making those decisions and let us move the country forward.

Mr. Speaker, in previous public announcements, the Finance Minister mentioned millions of dollars of savings within the budget that he was working to achieve. I asked the question today: are they reflected in the SPS? He has not said. I encourage him and continue to encourage him to provide an answer to my questions about the 2020 increased deficit.

So what do we, on this side, think the Government needs to address in order to give the country the clarity it needs? To what should this Government can collectively commit?

I think Mr. Speaker, the Government needs to forthrightly address the uncertainty that exists over its approach to meeting the immediate needs of those experiencing economic difficulties. Repetition is often useful, so I will say again that, *Cayman needs a real plan for reopening our borders and for restarting stay-over tourism.*

Given the importance of Financial Services, I do hope that what has been said here today about supporting this vital economic sector is more than just lip service. It is important that the Government not only rely on maintaining close dialogue with the industry, it also needs to ensure that the country is kept aware as much as is possible, of what is happening in the sector and what are Government's plans and policies in response to the continuing challenges.

Mr. Speaker, I am aware that there is a meeting scheduled here in January for an Insurance Captive—over 1,000 people are planning to come, but they are now waffling; they just don't know whether the country is going to be open. That is something that not only affects the financial services, but it affects the tourism industry in a very big way, to accommodate that many people in our hotels. It takes a lot of room stock out of the hotels that are here and operating on the Seven Mile Beach. They need to know.

I note, Mr. Speaker, having seen an article in Monday's *Cayman Compass*, that the Finance Ministers from the Group of 20 Countries, including the UK, USA and EU, endorsed plans for a new global minimum tax. Interestingly, Mr. Speaker, the article went on to mention that the Cayman Islands had joined the agreement. This was also reported in the international press at the start of this month, yet we have heard nothing directly from the Government on this development explaining what we have actually joined up to. I hope that the Government will correct this and advise the country very promptly on what exactly they have agreed to; the Government should not be silent on this. Financial services may know that answer, but the rest of the country needs to know.

Cayman also needs its agricultural sector to thrive to ensure ongoing food security and to help counter the high cost of importing food that contributes to increases in the cost of living. Mr. Speaker, every one of us came to appreciate and to really welcome the opportunities we had during the lockdown to buy many goods and food grown locally in terms of our vegetables, fruit—everything. For the first time in many years, there was an abundance. I think that the PACT Government's decision to end the FARM subsidy is inexplicable and really it is not a good decision. Similarly—

#### POINT OF ORDER

**The Speaker:** The Honourable Minister of Tourism. Rising on a point of order?

**Hon. Kenneth V. Bryan:** Yes, Mr. Speaker.

Repetition, Mr. Speaker. The Honourable Leader of the Opposition has repeated this matter of the farming three times so far. I think we get the point; repetition is a violation of our Standing Orders.

*[Inaudible interjection]*

**The Speaker:** Honourable Leader of the Opposition, I think the Minister of Tourism is right; you have repeated it several times. I would hope you are at the end of that repetition, because it is coming to the point where it is tedious.

**Hon. Roy M. McTaggart, Leader of the Opposition:** Mr. Speaker, there shall be no further mention of it.

Secondly Mr. Speaker, I would suggest that the Government needs to commit clearly to maintaining the programme of infrastructure investment started by the Progressives. I fear, and I am concerned, that behind the allocations the Minister set out today, there lurk a series of reductions in the level of investment that was planned by our government. Across the world, not least in the United States, we are seeing strong governments investing in public infrastructure to maintain economic stimulus that limits the hardship.

Mr. Speaker, I heard the Government talk about a number of the projects that they are going to continue, but for the sake of my presentation, I would point out that in making their commitment to the infrastructure investments Cayman needs, not just for economic stimulus reasons but also to ensure the long-term health of our economy, these include:

- The completion of vital infrastructure projects such as the John Gray High School;
- A new health services facility for Bodden Town;
- Project Re/Gen (formerly known as the Integrated Solid Waste Management System);
- The Long Term Residential Mental Health Facility;
- The extension of the East-West arterial road to Frank Sound;
- Other on-going major road improvements;
- Support for the plans for the National Housing Development Trust to provide more affordable housing for Caymanians; and, of course,
- The piped water expansion project along the works on the Sports Complex in Cayman Brac should continue; whilst the existing garbage dumps on both Sister Islands should be closed as part of the ReGen project.

These projects may need to be prioritised and done in phases based on available resources, but they must be done for the benefit of the country.

The third element of the financial strategy must address the need to bring our nation's finances back into balance. They have clearly set out what their expectations and goals are with regards to achieving that, in terms of the numbers that they have presented, but really we need to hear the details of what lie behind the headline allocations and any proposed revenue raising measures and, potentially, the borrowing plans that may need to be put in place.

Failing that, Mr. Speaker, I think at the moment there are more questions than answers. And so we are anticipating that over the next few months, the Government will come together in the preparation of the budget and have a credible document we can all throw ourselves behind, later on this year.

Today was an opportunity for this Government; a chance to break the silence first, and then explain what the next four years would look like for Cayman. While we have seen and achieved some clarity, there is still much left to be said, and much left to be explained.

As I have said, Mr. Speaker, Cayman cannot afford for its government to fail at this crucial time in our history; it is beholden on all of us to do what we can to fill and to help with the ideas at the heart of this PACT Government and to assist in giving solution that the SPS process has revealed.

I hope that the recommendations that we have made—and that I have made—in this response to the Policy Statement, will be taken in good faith, that they will be considered and that they will be implemented in the coming two-year budget.

Mr. Speaker, we on the Opposition benches will do what we can, we only ask that they listen.

Thank you, Mr. Speaker.

*[Desk thumping]*

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

*[Pause]* Does any other Member wish to speak?

*[Pause]* Does any other Member wish to speak?

*[Pause]*

**The Speaker:** If no other Member wishes to speak, I will call on the Honourable Premier.

## ADJOURNMENT

**The Premier, Hon. G. Wayne Panton:** Mr. Speaker, as it appears that no Member is willing to speak at this point, perhaps we can call on the adjournment of the House for today and we can come back for 10 o'clock tomorrow morning, sir.

**The Speaker:** The proposal is that the House now adjourns.

I think it is appropriate because it seems as if no Member is ready to speak and this is the first time in many, many years that an SPS has been debated. So perhaps Members are not prepared.

Therefore, let me call on the Honourable Premier for the Motion for adjournment.

**The Premier, Hon. G. Wayne Panton:** Mr. Speaker, I rise to move the adjournment of this Honourable House until 10 am tomorrow morning, under the relevant Standing Orders.

**The Speaker:** Thank you, Premier.

I have been given notice by the Honourable Deputy Governor for an intervention.

## CONDOLENCES TO FAMILY OF THE LATE MS. NELLIE MCCOY

**The Deputy Governor, Hon. Franz I. Manderson:** Mr. Speaker, I crave your indulgence I was informed



earlier today that Ms. Nellie McCoy, former civil servant, passed away. On behalf of all of us here, I want to record our condolences to the family.

Ms. Nellie, as she was affectionately known, worked at MRCU for almost 50 years and that I think is a record across our civil service. I think we was known to all of us here. She was a joy to work with and everyone talked about her dedication and commitment.

One of her duties was to count mosquitoes at a time when mosquitoes were a lot more than they are today. What she was able to do to identify the mosquitos that were harmful to us, has gotten us to where we are today in our fight to control mosquitos. She was in the hospital for quite some time at Heath City and I checked on her from time to time. She was very close to my family, and on behalf of all of us here, I just want to express our sincere condolences to Ms. Nellie McCoy and her family and wish them all the very best.

Thank you, sir.

**The Speaker:** Thank you, Honourable Deputy Governor.

The question is that this honourable House now stand adjourn until 10am tomorrow morning. All those in favour, please say Aye. Those against, No.

**AYES.**

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

This honourable House is now adjourned until 10 am tomorrow.

**At 3:46 pm, the House stood adjourned until Thursday, 15 July 2021.**