

**OFFICIAL HANSARD REPORT
STATE OPENING AND BUDGET MEETING
2011/12 SESSION
MONDAY
20 JUNE 2011
10.44 AM
Sixth Sitting**

The Speaker: I will call on the Elected Member for North Side to say prayers this morning.

PRAYERS

Mr. D. Ezzard Miller: Let us pray.

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

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

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

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

The Speaker: Good morning everyone.
Proceedings are resumed. Please be seated.

**ADMINISTRATION OF OATHS
OR AFFIRMATIONS**

The Speaker: We have had an apology. Ms. Ellis will be arriving for the afternoon session. She cannot be here this morning. We will do the administration of the Oath then.

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

Apologies

The Speaker: I have apologies from the Minister of Education, Training and Employment who will be late; the two Members from Cayman Brac, the First Elected Member and the Deputy Premier, whose flight is also late; the Elected Member for East End, who has business in his district; and the Deputy Governor, the Honourable First Official Member, will also be late.
Those are all the notices I have.

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

The Speaker: I have no notice of Statements by Honourable Members and Ministers of the Cabinet.

GOVERNMENT BUSINESS

BILLS

SECOND READING

Appropriation (July 2011 to June 2012) Bill, 2011

**DEBATE ON THE THRONE SPEECH AND
BUDGET ADDRESS**

[Continuation of debate thereon]

The Speaker: When we completed the sitting on Friday, the Minister of Education had completed his debate.

Does any other Member wish to speak at this time? Does any other Member wish to speak? [pause]
Does any other Member wish to speak? [pause]
First Elected Member for George Town.

Mr. D. Kurt Tibbetts, First Elected Member for George Town: Thank you, Madam Speaker.

Madam Speaker, before I begin my short little journey on this Budget Address and Throne Speech,

let me first of all, with your permission, say to you that I do intend to quote from the newspaper (which is in the public domain) the Premier's speech (which is also in the public domain), and from the actual Annual Plan and Estimates (which has been distributed). I simply say that to say that with your permission I will not keep asking each time, because I do not believe I need to get anybody's permission to use those. I think I am fine. So, I just want to make sure that that part is clear and then I will proceed.

The Speaker: Yes, sir, you may proceed.

Mr. D. Kurt Tibbetts, First Elected Member for George Town: Thank you, very much, Madam Speaker.

Madam Speaker, when the Premier delivered his Budget Address after His Excellency had delivered his Throne Speech—

The Speaker: Just one interruption.

When you are quoting, would you say which newspaper for the record so that we can have the record straight?

Mr. D. Kurt Tibbetts, First Elected Member for George Town: Each time I will.

The Speaker: Thank you.

Mr. D. Kurt Tibbetts, First Elected Member for George Town: Thank you.

As I was saying, when the Honourable Premier delivered the Budget Address, and after we got the documents there certainly was some misunderstanding among some of us because we could not get it all to add up the way that normally we would be able to figure it out. And today's edition of the *Caymanian Compass*, 20 June 2011, has an article which is headlined "[New budget surplus \\$3.7M.](#)" And in the sub-heading it says, "Premier's \$12.1 million estimate not all-inclusive."

Madam Speaker, I am going to quote from this article. It's not an extremely long article, but the article surmises some of the questions that other people have, and I wish to put that into the record so that the Honourable Premier can clarify the questions raised in the article, which I believe are relevant questions. I would not doubt that they can be clarified, but just on reading they do not clarify themselves.

Madam Speaker, this article begins: "**Cayman's budget for the upcoming year contains a forecast \$3.68 million operating surplus that is expected to be achieved by the end of the fiscal year on 30 June, 2012.**

"That means the government's earnings will slightly outpace its expenses by that date, according to budget managers' estimates.

"The surplus figure is significantly less than what was stated by Premier McKeever Bush in his budget address on 10 June.

They are quoting him now: "**'Operating revenues are expected to be \$535.8 million in 2011/12,' Mr. Bush said. 'Operating expenses are projected at \$489.9 million in 2011/12. The surplus of government - after deducting \$33.8 million of financing costs and expenses arising from foreign exchange transactions - is forecast to be \$12.1 million.'**"

"Mr. Bush's assessment—according to budget documents reviewed by the *Caymanian Compass*—does not include a projected \$8.4 million operating loss by statutory authorities" (This is what the *Compass* is saying, Madam Speaker.) **"and government-owned companies.**

"That loss would have to be made up out of the government's general fund budget, if a deficit from the operation of those companies does occur.

"The *Caymanian Compass* examined budget documents for several years prior," (And this is the curious part, Madam Speaker) **"and up until the 2009/10 fiscal year, operating losses of statutory authorities and government-owned companies were counted as a part of the government's operating expenses.**

"However, in the 2010/11 budget—the year Cayman is currently in—" (That is, until 30 June) **"a subtle change appears to have been made. As of this fiscal year, operating losses of the public authorities and government companies were counted outside of core government's operations.**

"This year, those entities were expected to show a modest overall profit—about \$1.8 million, a figure which Mr. Bush added to reach an overall budget surplus figure of roughly \$4.5 million for the year ending 30 June, 2011.

"The same figure for the 2011/12 budget—expected as a loss of \$8.4 million—was not included in reaching the \$12.1 million surplus the Premier announced in his budget address.

"Following the budget address, Cayman's Financial Secretary Ken Jefferson said the Cayman Islands has met all of the United Kingdom's demands with regard to central government operating expenses for the coming year.

And they quote him as saying: "**'Recent communication from the [UK Foreign and Commonwealth Office] has made it clear that the [office] expects the government of the Cayman Islands to produce a budget for the fiscal year 2011/12 that has operating expenditures which do not exceed the forecast level of operating expenditures for the 2010/11 year' . . .**

"For the 2010/11 fiscal year, which ends on 30 June, central government operating ex-

penses were forecast to be \$490.2 million,' Mr. Jefferson said.

"In the budget plan for 2011/12, which starts on 1 July, central government operating expenses are CI\$489.9 million, he said."

This is what the *Compass* is saying now, Madam Speaker.) **"However, those figures do not include debt service payments, foreign currency exchange costs or any projected debts from statutory authorities and government-owned companies that might arise."**

"According to budget documents—when those amounts are factored in—the Cayman Islands' total forecast expenses in the 2010/11 budget year were stated as \$520.7 million."

"For the upcoming 2011/12 year, which starts on 1 July, total expenses were budgeted at \$532.2 million, about \$11.5 million higher than the year before."

"Financial statements for the 2011/12 spending plan indicate that government's personnel costs are expected to rise by just more than \$12 million compared to the year that ends 30 June."

And then they go on to say **"The budget includes a \$6 million increase in healthcare costs for civil servants, as well as retirees, seamen and veterans."**

So, Madam Speaker, I am not saying what the *Compass* has said is exactly as it is, but they raise questions. And I think those questions need to be clarified.

What they are really saying is that some budgets are treated in one fashion and some others are treated in another fashion, and, if that is done, then you truly cannot compare one budget's figures with the other budget's figures because the accounting treatment is different. That is what they are saying, and I think that really needs to be clarified.

I do not know whether it is simply a matter of changing style, but, results being the same, I think that really needs to be clarified. To the lay person reading that article, Madam Speaker, there must be cause for concern.

One of the points that I want to add to that thought is on page 304 of the [Annual Plan and Estimates](#) which speaks to the Schedule of Assets and Liabilities. Under "Non-Current Liabilities," the very last line, note 13, "Unfunded pension liability," the unaudited actual for 2009/10 is \$178,896. The amount that is forecast for up to June 30th of this year is the exact same figure. Then, Madam Speaker, the amount forecast for 2011/12 is the exact same figure again!

Now, Madam Speaker, when the actuarial studies are done (and if memory serves me correctly, they are supposed to be done every three years), the results of those actuarial reviews each time tell us,

among other things, Madam Speaker, what the past service liability (it is termed) is for pensions.

Now, they do various projections, Madam Speaker. They do forward projections and they also give figures of what is. And what is, is what is called "past service liabilities," meaning, past service that has been recorded by those in the defined benefits scheme, which gives you finite results, meaning in the defined benefits scheme of civil servants, of government employees, it is known precisely what amounts are owed for services already recorded by these public servants. It is fixed. That is why they call it "defined benefits."

That means that a civil servant can know at any given time if he or she leaves the Service and is of age to collect pension, or when the age to collect pension comes, they know what that is going to be if they are in the defined benefit scheme.

Now, since the law changed in either 1999 or 2000 (I think in 1999, Madam Speaker), all employees coming into the Service after that new date are on what is called a "defined contribution scheme" which does not specifically give anyone finite figures and definite figures as to what the benefits are, because that is a defined contribution scheme.

And, Madam Speaker, from time to time investments, the returns on the investments of those pensions will vary, depending on where the investments are placed. And sometimes you get negative results on your pension after a given period of time and sometimes the results are better. That is what you call a "defined contribution." And whoever is in charge of making those investments does them to the best of their ability with the best projections they have. But anything can happen.

Madam Speaker, with a defined benefit scheme, there is no such thing. By law, by statute, those in the defined benefit scheme know what they are going to get.

So, when we see the unfunded pension liability figure being exact for three consecutive years, one has to presume that when you get your projections from the actuarial review, which tells you on an annual basis how much that figure is, and if nothing is paid into that how much it escalates to. We have to understand this methodology.

In other words, if you pay nothing into that unfunded liability the amount has to increase on an annual basis because years of service keep being added and, therefore, the amount of pension that needs to be paid out increases. So if we have these figures being constant, being the same for these three years, one has to presume that whatever the difference is each year in the additional liability that will occur is being paid.

Madam Speaker, I do not see any record of that. I see for this fiscal year which ends 30 June 2011, and I see in the new budget which is projected

for 1 July 2011 to 30 June 2012 a figure of \$1.9 million for past service liability payments.

Madam Speaker, I dare say that while I do not know the exact amount, that is but a drop in the bucket. If memory serves me correctly, Madam Speaker, and I am pretty confident it does, during the four-year budget cycles that occurred during 2005 and June 30 2009, some \$50 million was paid in to that past service liability. When the amounts for the four years are added together, it has to be close to \$50 million. I don't have the exact figure, but it must not be far off. It is over \$40 million and close to \$50 million.

So, Madam Speaker, there is a huge difference, not only in the accounting treatment, but in your actual reflection of your surplus deficit position when you compare what obtains today and what is said to obtain in the last year as to the way it was done prior to this. Obviously, the thought is that this is not something that you either have to do or that you need to include in your balance sheet.

If we were to simply look at the facts, Madam Speaker—forget about all of the talk about who did what, but just looking at the facts—if I am nearly correct in my \$50 million estimate, then it means that cumulatively the surplus deficit position would have changed by that amount during that time. Meaning, that if it was being done on an annual basis the first three years, 2005, 2006/07 and 2007/8 when there were surpluses, those surplus figures would have increased, which simply means that you would have been able to use more of cash-in-hand to fund operational expenses, which would have left your surplus deficit position different. And it also means that whatever the surplus deficit position was in 2009 would have been different by that amount.

But that is not the real point, Madam Speaker; that is only drawing a parallel. The point that I wish to make about this is that it is recorded in this AP&E (Annual Plan and Estimates) that the unfunded pension liability amount is constant for three years.

Now, the only other question that came to my mind when I was looking through it was whether what they call unfunded pension liability is something completely different from the past service liability. But my understanding from all the years that I have been here about past service liability is the unfunded portion of your pensions that are due. So, I don't know. But what I do know, Madam Speaker, is that if your unfunded pension liability has any base year that you start from (any year, it doesn't matter where you started from), every year that amount is going to increase unless you pay into that fund whatever the amount of the increase is.

And if these three figures are constant for three years, meaning last year, this year and the year to come, I do not see any record of where that differential has been paid in. So something has to be wrong. Something has to be definitely wrong.

In prior years when monies were placed to assist with the past service liability that was recorded both in the expense section and in your payout. So, Madam Speaker, we really need to get a very clear understanding of how the accounting treatment works with that.

You see, Madam Speaker, if we take it a step further, understanding if it is not possible during these times to make those payments, okay. But how can you disregard the amount that's due? That's where I have a problem. I do not understand how that can be done. That is what I would really like to understand.

It is not like a bank loan and you tell the bank that you are having some difficulties so you are going to need three months where you don't have to pay anything. And if they even allow you not to pay interest, that accrues, they are not throwing it away! So, the principles are the same. It is only natural that whenever you pick back up the payments that your total balance due has to be more if you have not been making them.

I think I am making myself clear. I hope so anyway.

Madam Speaker, I do not want to stay on this all day because I don't think it deserves staying on all day. But I do believe that it is a valid point and it needs to be clarified one way or the other.

Madam Speaker, I am reminded by the Member for North Side that pension payments are now being paid out of that fund. So, when your actuarial review is completed . . . and the reason it is every three years is so that it does not get outdated, because things can change during that time. So you don't want to not be relevant with the figures that you have working with.

Madam Speaker, if the fund itself is paying out now as compared to how it used to be when it came out of general revenue, it obviously was thought that the fund was getting to the point where it was self-sufficient. But, Madam Speaker, I also happen to know that it was based on the premise that past service liability amounts were going to be paid in annually to bridge the gap of the unfunded amount. Otherwise, it could not sustain itself for any extended period. And so, I would very much like to hear clarification on that issue.

Madam Speaker, it may not sound like a big issue to some. But the truth of the matter is that there are those people who have retired. And that pension is what they live on. And they would very much like to ensure that that is secure. But you see, Madam Speaker, what I really find more than curious with that, is when the Premier said on page 7 of his speech, third paragraph down where he refers to his national debt management strategy, he speaks of the 4 points that the Government proceeds on.

Then he says, **“This strategy is embraced with future generations in mind. My Government is bound and determined to manage the country's**

fiscal affairs prudently, and to leave our children and grandchildren with positive prospects . . .”

Do you wish for me to pause, Madam Speaker?

The Speaker: Um—

Mr. D. Kurt Tibbetts, First Elected Member for George Town: I don't have a problem.

The Speaker: I was going to recognise . . . I'm sorry, I should have done it when I began this morning—

Mr. D. Kurt Tibbetts, First Elected Member for George Town: That's fine.

ANNOUNCEMENT BY THE HONOURABLE SPEAKER

Truth for Youth Students

The Speaker: I recognise the children from Truth for Youth School, the fourth graders that were here. They came last year—

Mr. D. Kurt Tibbetts, First Elected Member for George Town: If you want to pause for a few minutes, that's fine.

The Speaker: They came last year and they viewed the Parliament. And they came back this year to see how you all actually operate in the Chamber. They had come and toured before. I just wanted to recognise them before they leave, because they look as though they are ready to leave and were here from early this morning.

That's all. Thank you very much. The Serjeant will take care of the rest of it for me. Thank you.

[Continuation of debate]

Mr. D. Kurt Tibbetts, First Elected Member for George Town: Thank you, Madam Speaker.

As I was saying, Madam Speaker, having given my view point on the unfunded pension liability and those figures being constant for three years and not seeing where money has been paid in, and then, on page 7 of the Premier's Budget Address, on the third paragraph he said:

“This strategy is embraced with future generations in mind. My Government is bound and determined to manage the country's fiscal affairs prudently, and to leave our children and grandchildren with positive prospects, not to leave them the mess we found—deficit budgets, increasing debt, eroded reserves, and inadequately funded pensions.” [2010/11 *Official Hansard Report*, page 13]

Now, Madam Speaker, if we put during our four years, close to \$50 million towards past service liability, because we recognised the need, then, Madam Speaker, even if he is going to say, that because of fiscal constraints the Government cannot afford these payments during this time, recognising that there is the unfunded liability, that's fine. But he says it in his speech as if they are doing something about it, and we did not address it at all.

Madam Speaker, to this point, it is the exact opposite! As my learned colleague wishes for me to say, “the converse is true”.

So, Madam Speaker, in that regard I do believe that outside of the bluster and continued repetition of the mess that they found, if they would take a minute to clear that up and give us a clear understanding, then perhaps we would all be in a better position to understand the budget.

[Inaudible interjections]

Mr. D. Kurt Tibbetts, First Elected Member for George Town: Madam Speaker.

[Inaudible interjections]

The Speaker: *[Gave!]* No use of that word please. Four-letter words are forbidden.

Mr. D. Kurt Tibbetts, First Elected Member for George Town: The other issue that I want to get cleared up too, Madam Speaker, is on page 5 of the Premier's address, when he speaks to the one revenue measure his Government is bringing this year, which is the fee for regulation of these master funds, which Cayman Islands Monetary Authority (CIMA) will begin to regulate, that \$1,500 a year fee.

Of the total amount that is expected to be earned by Government this year for the fee, the Premier says that the Government will use \$4.5 million of the revenue expected from that “. . . to provide for a rebate to Caribbean Utilities Company in respect of the Company's payment of duty on the importation of diesel to produce electricity.” [Ibid, page 12]

When the Premier made that announcement, Madam Speaker, CUC very early came out to say that they knew nothing about it and they did not know what the plan was to make it work. Now, Madam Speaker, the year begins July 1st and we are very close to that date. I for one would like to know, and I am certain the public would like to know exactly how that is going to work.

The second question I know the public is asking: Is that for one year, or will it be continuing on? We don't know that, and it is not said. And the way that it is said in the budget, Madam Speaker, one cannot assume one way or the other. So, that simply needs some clarity.

Madam Speaker, proceeding on with the Premier's address, on page 17, again, third paragraph down, he is speaking about the labour force and unemployment figures. He says, ". . . **the estimated total labour force in 2010 comprised thirty-five thousand, eight hundred and fifty-nine (35,859) persons with thirty-three thousand, four hundred and sixty-three (33,463) employed, and two thousand, three hundred and ninety-six (2,396) unemployed. While the number of employed persons declined by 1.3 per cent, the number of unemployed rose by 9.9 per cent. Madam Speaker, the resulting unemployment rate as of October 2010 was 6.7 per cent.**" [Ibid, page 16]

Madam Speaker, that 6.7 per cent is taken by using the global figure of the total number of persons employed in the country as your base, and you simply have 2,396 over 35,859, times 100. That gives you the 6.7 per cent. But, Madam Speaker, if you or anyone were to check as at October 2010 when this figure was done, the number of work permits in force was nineteen thousand and something, just shy of twenty thousand.

Now, Madam Speaker, work permits are just what they are. When a work permit is issued for someone . . . it cannot and it is not presumed that there is a work permit for the Serjeant, but the Serjeant is unemployed. Otherwise you don't need a work permit. If you have a work permit and he is unemployed, then you send him home. That is how it is supposed to work, because you are not supposed to have a work permit and that work permit is just so that you can have it and the person doesn't have a job.

I make that point to say that when we speak to unemployment, the unemployment rate, first of all, I am certain . . . if my certainty is misguided then we are in real trouble. But I would venture to say that I can safely say that the unemployed amount does not include work permit holders. So, if the unemployed amount is considered to be Caymanians unemployed, then the unemployment figures need to relate to those Caymanians unemployed, and those Caymanians employed, which means that your work permit figures should not be included in your base amount that you are using to calculate your unemployment figures with.

Madam Speaker, any statistician, including a government statistician, would bear me out on this because you have to do apples with apples. But, Madam Speaker, this figure includes the total number of work permits. If you were to compare it only with Caymanians who are employed as to the number of Caymanians who are unemployed, that figure, changes dramatically. So, again we need to get a clear understanding as to how the figures are arrived at. And if the Premier and his technical staff disagree with me, then they must explain to me why.

Madam Speaker, I draw reference to that point so that we can really have a better grip on what unemployment is like.

Madam Speaker, just a few more issues that I would like to talk about. I want to get to the Fourth Elected Member for George Town because we know each other well, and he issued the challenge saying, [that] I needed to rise and explain certain points which he spoke to regarding the new Government Administration Building.

My good friend still insists on calling it a monster. But anyway . . . if that's what he feels it is, I guess he has that right.

He repeated on the Floor of the House most of what he said on the radio prior to that regarding this. I am going to take my time and hope that I can remember most if not all of the relevant points he brought up. He said that the new Government Administration Building cost \$25 per square foot to operate, therefore, his deduction is that given the size of the building, that's \$6 million a year that it costs to operate. No argument.

But let us look into that actual statement, because if you leave the statement alone it could sound frightening. Here is how you are fair (f-a-i-r) to the situation and you compare anywhere else you wish to in the commercial OPY area, and compare square footage to square footage. Madam Speaker, this figure the Fourth Elected Member for George Town is using includes every single thing with the operation of that building. Everything! It includes the toilet paper that is used in the bathrooms. It includes the train of security used there and everything to arrive at that figure. But that's fine!

Madam Speaker, if you work out \$25 per square foot and you were to organise to say if you were leasing that amount of square footage out, if you were leasing that amount of square footage in the private sector, first of all, if you are going to do apples with apples, you look at what the leased cost of that building would be, that is, the Government Administration Building, and what 240,000 square feet would lease for outside in the private sector.

But this figure is nothing to do with lease. This is the operational cost of the building, and that includes, as I said, everything. That is what it costs—everything—\$25 per square foot.

Madam Speaker, we have to remember when we compare wherever Government is using as leased premises, if there is any security that is a separate charge. There is a charge that is called a CAM charge, which is the acronym for Common Area Maintenance. So anytime you get a lease and you have a lease payment of X amount, \$35 per square foot, or \$30 per square foot, an addendum to that figure is going to be your CAM charge which is simply the Common Area Maintenance divided out into the number of square feet the building is when they get the total cost. And however many square feet you

have, you pay your portion. That is kind of how they calculate it.

I do not know if the lessor makes any profit off of that or not. I will not even go there, because that really doesn't matter to my line of argument. But those charges are separate, and those charges can run anywhere from \$15 to \$20 per square foot per year depending on the type of location you have and depending on what amenities are available in the location you have.

So, Madam Speaker, when you make all of those additions when you are leasing in the private sector, it has to cost a tremendous amount more. You have to pay your electricity bill, you have to pay your water bill; all of those other charges are not included in your lease payments. You do not have an all-inclusive lease which takes care of all of those things. If you make that kind of arrangement you can guarantee that your per-square-foot-rate is going to be much higher than what would be considered the going rate.

So, you see, Madam Speaker, when you speak to a 235,000 or 240,000 square foot building and the total operating cost for the year is \$25 per square foot, Madam Speaker, that is leaps and bounds less than if you are leasing a premises and paying all of the charges.

And I can tell the Fourth Elected Member for George Town that he can use any other comparable premises. Do it yourself. Get the figures and draw your own conclusions.

Madam Speaker, I have never said that this building would not cost to operate. What I said was that the building has been built, or would have been built, much more efficient than most if not all others that are around and, therefore, its operational cost—and I was not including security and that kind of stuff. I was speaking to energy charges and such the like, Madam Speaker. I said that operational cost would be a lot less and I maintain that it is a lot less. If other things are added to it, like security and everything else, everywhere you go that that security is needed, you are still going to have to pay that same amount for it for wherever you go, wherever those people are. If His Excellency the Governor, the Premier, or whoever else, or just general security for the building, you are going to have to pay for that.

So, I am not trying to point at what should not be paid or anything like that. That is not what I am saying. All I am saying is that when you make your comparisons, make sure that you are doing apples with apples, meaning the same cost that you are talking about that building incurring, look at it in that same perspective when you compare it elsewhere.

So, Madam Speaker, as far as I am concerned, and [it has] not been proven any different at all, that what we have is an efficient building which costs less to make payments of electricity, for instance, which is, as we would call it, a 'big lick' out of it. Because that \$6 million a year electricity, out of that

is \$75,000 per month. That is close to a million dollars per year. That is just electricity, nothing else.

But I bet you that if they add 240,000 square feet of wherever government is leasing elsewhere and added up the electricity bill for the year for those premises that government is paying or that government agencies are paying, it is at least a million and a half [dollars]. It could be somewhere closer to a million and three quarter [dollars] depending on how inefficient the buildings are. That's my point.

Madam Speaker, never have I said that one building would house all civil servants. I never said that. The comparisons were given to me and I remember them vividly: The number of people that that building supposedly would accommodate compared to what lease payments were being paid out for those same numbers of people in the various departments and agencies that were going in there. You were looking at present-day figures of \$67 million and the projections were by 2013, at that time, the projections were going to be close to \$10 million. That's what was said to me, and that was what I was given.

I am saying, looking at those costs. If you are using that amount of lease payments just to pay back on the cost of the building, you are miles ahead of the game, plus you have a new building which takes a lot less maintenance than wherever they were before.

Madam Speaker, then the Fourth Elected Member for George Town also told me that I needed to respond to what I might term his "allegation" that under my watch the Maritime Authority engaged in a lease at—he didn't say, but I will say where it is—at Strathmore House. Strathvale, forgive me. Strathvale House. And they took out a five-year lease at a cost of some \$2.8 million. He didn't say which currency that was. But he said \$2.8 million.

Madam Speaker, the Monetary Authority is going to be moving in, as I understand it. And it is no military secret—

Hon. Rolston M. Anglin, Minister of Education, Training and Employment: Maritime.

Mr. D. Kurt Tibbetts, First Elected Member for George Town: The Maritime Authority, forgive me.

The Maritime Authority is going to be moving in to the new Government Administration Building and, as I understand it, the Department of Tourism and some other department will be taking up the space that they have now for the duration of the lease that they have.

Madam Speaker, they were in what we know as the Kirk House for several years, the Maritime Authority, MACI. And Madam Speaker, as I understand it, after Hurricane Ivan when they were back in the building, the building developed some problems and there was mould and all kinds of stuff involved. And they had complaints from staff being sick and staff threatening not to come back to work because of the

condition the building was in. So they had to look for other space that was available.

Madam Speaker, the Maritime Authority of the Cayman Islands has its own board of directors. And as I understand it, the constitutional arrangement is that the person who the Maritime Authority reported to at the time would be the Financial Secretary. Now, with the advent of a Minister of Finance, they will report to the Minister of Finance. But they have their own board of directors.

It is my understanding that given the conditions that they had at Kirk House, and when they used their own legal counsel and the board made the decision to search for premises, that was what they could get at the time and the board made a decision to take those premises. I also understand at the time that there was verbal agreement that the Elections Office would come in and take some of the space, and something happened and that did not materialise. Hence, what we have.

Madam Speaker, when the Member talks about my allowing that to happen on my shift, as I understand it, the decision was made by the board of directors appointed to the Maritime Authority of the Cayman Islands. That was their decision. So, Madam Speaker, that is what I understand from what he is speaking to, about me allowing it to happen.

What I want to ask him, though, is about now, today. He is, as he said in his delivery, honoured to have been appointed a councilor, which is fine, and that he has certain responsibilities. Madam Speaker, I do not suppose he is responsible for this, but I am certain that he is part of the Government. Why is it that after going through the motions for more than two years, probably closer to three years—because the whole thing was started when we were the Government—that after all kinds of deliberations and coming to full agreement with the technical team, the steering committee for the new Government Administration Building, and after the space was totally fitted out the way they requested it at a cost in excess of \$3 million, that the Cayman Islands Monetary Authority still decided after all of that expense they were just not going in there, but they were going somewhere else?

Madam Speaker, somebody needs to explain why that is the case. And that is the case. I have heard it on the radio. I have heard talk of it all over the place. And maybe they might come back and say that that is not the fact. Well, if that is not the fact, then let's hear what the facts are, but, Madam Speaker, that is my understanding.

Madam Speaker, let us get that cleared up and then—

[Inaudible interjection]

Mr. D. Kurt Tibbetts, First Elected Member for George Town: Not suggesting that it is.

Madam Speaker, just a few other issues that I would like to refer to. While I was looking at the newspaper last night, right alongside the budget article was the business of the new oil refinery, which the Premier announced that he had signed a Ministerial Memorandum of Understanding with two companies who are proposing to build an oil refinery in George Town.

Madam Speaker, I have read the article and I understand what they are saying. I do not know if all that is being said is easy to achieve. As I understand it, they believe that several of the what-would-be-considered difficulties that would initially arise because of the fact that it is supposedly an oil refinery, they have supposedly solved the problem of where the tankers would come to deliver the crude and that it would be going through the existing CUC pipeline and they would simply have to extend it from where it ends now, probably a quarter of a mile to the site that is being proposed, which is very close to the Caribbean Utilities' compound. And then that pipeline could be cleaned each time the crude was delivered and it would be cleaned by a device known as a "pig" which scrapes residue from the inner walls of the pipe and cleans it out and then allows it to be used again for refined oil.

But the main question that I have initially in making a comparison, is that the Premier has said in making his announcement that (and I am quickly searching for it, Madam Speaker) . . .

The Speaker: Member for George Town, just a minute, please.

There is a phone that is receiving messages. We need it turned off. It is interrupting the transmission and we will not have some of the speech recorded if it continues. Please turn the phone off.

Member for George Town, please continue.

Mr. D. Kurt Tibbetts, First Elected Member for George Town: Thank you, Madam Speaker.

I was saying that one of the first questions that came to my mind was where the Premier announced that the companies were already engaged in environmental impact studies. I am pretty sure he said that.

Madam Speaker, the technology that is proposed here has never been used for an oil refinery. They admit that. So this is all brand new. And it is hoped that what they intend for it to be able to do, it will do.

If they are already engaged in reviewing what possible environmental impacts might occur, Madam Speaker, I hope the same thing is not happening with that situation as what has transpired with the Environmental Impact Report done for the supposed seaport in East End. We have seen from the response of the Environmental Assessment Board (the EAB) that that review that was completed is sorely lacking and does not address many of the issues.

Based on what I have heard the Premier say about these assessments being done, I trust that they are with a clear understanding as to the rules of the game and what they should really be looking at so that whenever a report is completed we do not hear the same thing again. Madam Speaker, needless to say, what the EAB has said about the Environmental Impact Report for the project in East End is, without exaggerating, literally condemning any veracity which might have been attached to the report itself and its credibility is questioned throughout the EAB report.

So, really, what it does is not give people any confidence that looking at that Environmental Impact Report you are able to trust what it is saying, because the way in which it was done is not the way in which the EAB is saying that it should have been done, and it is lacking in the depth and intensity of how it was done.

Madam Speaker, I bring that point out because people are going to be paying attention to all of these things. People are not satisfied with certain things. And while we are supposedly in these harsh economic times—and certainly we are, given the global scenario and it trickling down here locally—you want to see economic activity. But people are going to be questioning all the time at what price are we going to be able to see light at the end of the tunnel.

Madam Speaker, I believe that I have raised some issues that warrant response. I do trust that during the course of either the Premier's response or during the course of Finance Committee we will get clarity with regard to the questions I have raised. Hopefully they will clear the issues up. If not, then we will hear about them some more.

I want to thank you, Madam Speaker, for allowing me this opportunity this morning. Thank you.

The Speaker: Thank you, First Elected Member for George Town.

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

I have called it three times. If not, I am going to call on the Premier to wind up.

There is no other Member to speak. I am calling on the Premier to wind up the debate please.

The Premier, Hon. W. McKeever Bush: Madam Speaker, I would like to say thanks to those Members who have spoken thus far and put forward their various points. I note the Opposition was at pains to criticise the Budget. They went all over the world, but they did not criticise the Budget too much.

Oh, my good friend, the Member who just sat down, did his usual. There is nobody who can throw a bucket of cold water on something as good as he can. And he has always done that from the day that he entered this House. That was his ability. In fact, that is

how he ran Truman Bodden out of this House. Because everything that was done, questions, doubts, and even accusations were put on it, and at a time he can't clarify. And the Member knows that.

[Inaudible interjection]

The Premier, Hon. W. McKeever Bush: No, Madam Speaker. I could never do some of those things that I heard the Member do.

[Laughter]

The Premier, Hon. W. McKeever Bush: But, Madam Speaker, I listened to all of them. This has not been an easy time. This is probably the worst time to be in Government; the worst time to be leading Government. The worst time! Except, Madam Speaker, that perhaps, just perhaps, it's the worst of times, but the best of times in that things are so bad that those of us that like to work and [who are] not afraid to take up a challenge will do that, will get that challenge and do something.

I am reminded that with all of the headaches, the accusations, the finger-pointing, the reviews, investigations, the management of the UK on our Budget, the fact that those around us that we love and have to live with daily are having a rough time in some shape or another. Yes, these are painful times; the times that try men's souls. But I am not one that believes that I should not try to do something about a particular matter when I find the need to do something about it. And I work with a group of people where we don't agree on everything and we extrapolate, we pull things apart, we hold arguments with one another, probably too long—because that's another thing since reaching this age. I believe that some people have a long time to go, but not me. I don't know. So, I want to get things done now, because the pain is now.

But, I work with a group of people who have worked too. And nobody can say they have not. Those who say they haven't have not examined the work and have not been fair. The truth is I don't expect to see too much fairness in opposition politics and the state of play that I see existing today. It just seems that everybody has to disagree. And I don't know, Madam Speaker, where we are at, because in church we don't agree, and there is rowing and fussing; in schools there is disagreement, fussing and fuming; in Government there is the same. In associations, in groups, social clubs, I hear it's the same. In the Assembly, huh . . . well, we have had all of this going for a little while.

I just don't know, Madam Speaker, what they are thinking about because generally, it just seems that everybody wants everything, and everybody wants nothing. I don't know how to balance that.

I thank my colleagues, particularly those who were able and ready, because some were still prepar-

ing to speak. But those who rose, I think they did an excellent job. I am proud that we have newcomers here who can do that. Perhaps the older ones do not necessarily need to do it. We just need get on with our work. And that is what we are willing to do. The newer ones should say their piece, and so they have.

I am proud of the Third Elected Member for Bodden Town. And you think from where that young man came and what he has made of himself. This country should be proud. I think the vast majority of Bodden Towners are, that we have people who . . . rather than trying to pull them down you should tap them on the shoulder and say "good going."

And then the Fourth Elected Member for George Town is the same. He probably was living in a war zone for awhile. So he knows how to take the cut and thrust of debate in this House, or the cut and thrust of politics even. He has been around it for some while. But he comes in his own way with good ideas. And what he has asked is that we look at those ideas and we try to get the best for the country out of them. That is what a Member is supposed to do. So I want to thank them, and the Minister of Health, the three newer ones in this Assembly, for their work.

And the Minister of Community Affairs, Madam Speaker, who has the burden of social development on his hands, or he has it to deal with. But he is a very capable man in his own way that has been in business in the forefront of this country for many, many years.

I am satisfied, as I say, that there are those of us who have been here for a long time. Some of us don't need to speak. We just get up and do our work. It is a pity that we live in this atmosphere where no matter what is done it seems like it is wrong. You are not going to get praise all around. I used to get 80-odd per cent of the vote. I think I reached 90 per cent at one point, maybe more. And I never in my life imagined that I could do that. As you go along people disagree with you and move away from you. And it bounces back and forth. Madam Speaker, you are not going to get everybody to agree with you, and I have given up on that.

But I listened to my good friend, the Member who sat down. As I said, there is nobody in this House who has that knack of criticising the way he criticises. But every time he speaks, every time he speaks, Madam Speaker, I remember what Theodore Roosevelt said: **"It is not the critic who counts; not the man who points out how the strong man stumbles, or where the doer of deeds could have done them better. The credit belongs to the man who is actually in the arena; whose face is marred by sweat and blood; who strives valiantly; who errs and comes short again and again because there is no effort"**

Mr. First Elected Member for George Town, **"there is no effort without error and shortcoming; but who does actually strive to do the deeds; who**

knows the great enthusiasms, the great devotion, spends himself in a worthy cause; who at best knows in the end the triumph of high achievement; and who at worst, if he fails, at least fails while daring greatly, so that his place shall never be with those cold and timid souls who have never tasted victory or defeat."

Oh, Mr. Member for George Town, how Theodore Roosevelt must have been seeing into the future. How he must have thought, *There is some little island down there called the Cayman Islands and there is going to come a day when somebody is going to come to them and lead and forget and do nothing but to do this.*

Do nothing. Do nothing.

Madam Speaker, I use that analogy a lot. It holds true in many instances. And what the First Elected Member for George Town was talking about, that is, that those who burn down the fire station are the ones who stand on the sidewalk and cuss the Government for not getting the fire out, or getting it out in time . . . oh yes. I will come back to it, but let me just speak about past service liability, Madam Speaker.

I was in Government when Kirkland Nixon, Donnie Ebanks, and others, George McCarthy, me, Truman Bodden, Tom Jefferson, and maybe the Second Elected Member for Bodden Town was in it at that time, I'm not sure. But I was there when the world said that we were crazy for even having the kind of pension scheme that we had in the Civil Service. And that we had nothing prepared, all we were doing was just paying pension. There was no money. And back in those days we scraped up money and we put it aside to start to pay what they called the past service liability. Today there is hundreds of millions of dollars in that, I believe.

The [First Elected] Member for George Town, who just sat down, said that they put \$50 million in it, Madam Speaker, if they did that. I am not sure. I know that whatever it is, it is the three budgets. It is something like \$14 million a year. That is what would be outstanding, except now we have started to put something in it to show the good will. But don't think that we are not doing this because we don't want to do it. If they put \$50 million they found a healthy economy! And I left money in the bank—over \$106 million in the bank, Madam Speaker. So, if you found a booming economy with plenty money coming into government revenue, you should be able to do the necessary things with it and save some, though. And the converse is true. If you found a wrecked economy, wrecked government finances, then you can't be expected to do much, at least not until those matters are straightened out.

Well, this United Democratic Party in May of 2009 found a very, very sick, sick economy. And they don't want to hear it, but we also found \$81 million deficit on recurrent expenditure. And \$120 million in

the capital expenditure account. And where are we now? We are saying that there is a surplus, at least in the recurrent expenditure, and much less outstanding in the capital works. We are building that back, putting government's finances in better shape than I found it. And that's why I can say that my hope is to leave government's finances in better shape than we found it so that our posterity will not have that kind of worry.

So, yes, again my old analogy is fitting here. The people who burned down the fire station are the ones standing on the sidewalk cursing out Government for not getting the fire out in time. Ha! Oh yes, it's easy to do that, Madam Speaker.

Madam Speaker, I want to move for a few minutes. I did not hear much of what he had to say about the oil refinery. I thought he was attempting to do the same—his usual. That is, to throw a bucket of cold water on it. But he did talk about the environmental impact assessment. And that's important. But he never said anything more than what I said, [that] there was going to be one and they had started. So he hadn't . . . I don't know what he was trying to say except to try to say that the one in East End wasn't any good and I think he did say he hoped what I was coming with would be better.

Well, you know, if he was fair—as he likes to tout that he is—he would have said the one in East End was not fair, but this one coming we are going to give that time. But uh-uh, it is not good enough for him to do that because he doesn't want people to believe that we are trying to accomplish something good. He wants to throw cold water on it and try to put holes in it here, there and everywhere.

And those are the reasons why, Madam Speaker, much in this country has not gotten as far as we would have liked, because you have those kinds of attempts. And those kinds of attempts are done so that people will get put off and discouraged that they will get out there and make accusations [DIGITAL SKIP] Government is crooked. They are calling for investigations, they go to the Governor, they go to the Auditor General, they go to the Commissioner of Police. I don't care.

I have been investigated. I have been reviewed. When your hands are clean and your heart is pure you have nothing to worry about! So let them try to destroy all that we are attempting to do. The only people who suffer in the end are the Caymanian people. That is who are out of jobs today. That is who cannot pay their bills, that's who cannot pay their mortgages, that's who are calling us to help pay their electrical bills—the Caymanian people.

So, when they do all these things and create all these doubts and start all these fires, making people believe that the Government is just bad, who hurts? Oh, it hurts my family, Madam Speaker. It does. They have feelings. They listen, they hear things. But at the end of the day . . . when your hands are clean and your heart is pure, no matter what they

write, no matter what they try to wiggle up, no matter how they twist letters and take letters and twist them, I hear it. Let them go ahead. The truth, at the end of the day, is always known, even if it takes a longer time.

So, my job, and the job of this Government, is to move this economy forward. One thing I can tell them, the ball is round. The ball is round. Today, it is me that they pounce on, that they scandalise and slander; they take things and twist around and make people believe all sorts of things. Today it's me. But tomorrow, it could be you; if not you, your children. Just remember that.

Madam Speaker, let me take a few minutes to deal with and correct some comments made by the Member for North Side. There were comments made to the effect that details of figures in my Budget Address were at odds with figures in the budget documents. I will demonstrate that such comments are incorrect.

On page 21 of my Budget Address which states the surplus of central government is forecast to be \$12.1 million. And this was to be inconsistent with the net surplus figure of \$3.7 million on page 305 of the Annual Plan & Estimates document. Madam Speaker, such a comparison is invalid. And I hope they are listening, because that is what they said they wanted to do. I hope they are listening now and they are not going to come now in Finance Committee and ask again, because I am explaining it. But I wait.

[Inaudible interjection]

The Premier, Hon. W. McKeeva Bush: Well, we shall see.

Such a comparison, Madam Speaker, is invalid because the surplus figure of \$12.1 million refers specifically to the revenues and expenditures of central government alone; whereas, the surplus figure of \$3.7 million is in respect of the entire public sector's activities.

The entire public sector consists of central government itself and the statutory authorities and government-owned companies. Now, how did we arrive at a figure of \$12.1 million as the surplus figure for central government in the upcoming year of 2011/12? Madam Speaker, we need to start with the revenue figure for the 2011/12 year.

The Speaker: Order please.

The Premier, Hon. W. McKeeva Bush: Page 305 of the Annual Plan & Estimates document shows that the budgeted revenue for the 2011/12 year is \$535.8 million, which is the same figure I mentioned on page 21 of my Budget Address.

So, there isn't any inconsistency between my Budget Address and the Annual Plan & Estimates when it comes to the revenue figure. We need next to subtract from the \$535.8 million revenue figure, cen-

tral government's operating expenses. Central government operating expenses are also shown on page 305 of the Annual Plan & Estimates and these are made up of the following costs:

Personnel	\$228.3 million
Supplies & consumables	\$95.3 million
Depreciation	\$22.4 million
Litigation costs	\$0.3 million
Outputs from statutory authorities and government-owned companies	\$93.2 million
Outputs from non-government supplies	\$17.8 million
Transfer payments	\$28.8 million
Other costs	\$3.8 million

Madam Speaker, these individual components of operating expenses totals, \$489.9 million. That is what it is. And I said on page 21 of my Budget Address that operating expenses are projected at \$489.9 million. Therefore, Madam Speaker, once again there isn't any inconsistency between my Budget Address and the figures in the Annual Plan & Estimates.

Financing costs, which are the interest costs that Government incurs on its total stock of debt, as shown on page 305 of the AP&E as \$33.4 million, on page 305 of that document it is also shown that foreign currency transactions, the likely result, is a cost to central government of \$0.4 million in the 2011/12 year. Hence, Madam Speaker, in the AP&E document, financing costs, or expenses arising from foreign exchange transactions, totals \$33.8 million. That is the \$33.4 million plus \$0.4 million.

So, on page 21 of my Budget Address I state that financing costs (expenses arising from foreign exchange transactions) total \$33.8 million—the same figure that comes from page 305 of the AP&E.

Once again, Madam Speaker, there is no inconsistency. Therefore, when we start with a revenue figure of \$535.8 million, and we subtract from the revenue figure operating expenses that total \$489.9 million and we subtract from that revenue figure financing costs and expenses arising from foreign exchange transactions, that total \$33.8 million, then your resulting surplus for central government for the 2011/12 year is \$12.1 million. And that is what we say it is.

Again, Madam Speaker, the figure of \$12.1 million is the amount that I stated on page 21 of my Budget Address. How do we move from a central government surplus of \$12.1 million to an overall entire public sector surplus of \$3.7 million?

Madam Speaker, page 305 of the AP&E shows that when the surpluses and deficits of statutory authorities and government-owned companies are combined or added together, the result is an overall net deficit arising from these public agencies of \$8.4 million. So, if honourable Members of the House want further details of the makeup of this overall net deficit from the statutory authorities and government-owned companies, they can review note 8. And note 8 is

spread over two pages, pages 315 and 316, of the AP&E.

Hence, Madam Speaker, when the central government surplus of \$12.1 million is combined with the net deficit of \$8.4 million arising from the activities of statutory authorities and government-owned companies the resulting entire public sector net surplus expected for the 2011/12 year is \$3.7 million.

Madam Speaker, at the very bottom of page 305 in the AP&E the net surplus of the entire public sector is shown as \$3.679 million, which approximates or rounds to the \$3.7 million figure that I just mentioned.

I hope the Member was listening. I believe that I have demonstrated that there is no disconnect between the budget documents and my Budget Address.

Madam Speaker, comments were also made that the surplus figures were incorrect because they did not take account of receivables and payables. In accrual accounting, which is the basis on which government's financial statements and budget documents are prepared, receivables and payables are not used in deriving a surplus or deficit figure. This is a fact. And they have used it all the time. Hence the surplus figure stated in the AP&E document should not be impacted by the level of receivables and payables. And this is not new. This was used all the time.

Madam Speaker, under the accrual accounting system receivables and payables belong in the balance sheet and in the cash flow statement. And if honourable Members were to look at pages 303 and 304 of the AP&E document they will find that receivables and payables are shown in the schedule of assets and liabilities, which is another name or term for the more familiar balance sheet.

Madam Speaker, the comment was also made that there was a mixture in the basis of preparation of the financial statements included in the budget documents because, it was said, that the revenues appeared to be stated on an accrual basis, whilst the expenditures appeared to be stated on a cash basis. This is incorrect. This is incorrect, Madam Speaker.

Page 305 of the AP&E indicates in the expenses section of the schedule of revenue and expenses that the budgeted level of depreciation for the 2011/12 year is \$22.4 million. So, Madam Speaker, if the expenditures had been prepared on a cash basis, then this item of depreciation would never have appeared on the schedule because depreciation is a non-cash item. The mere fact that depreciation appears on the schedule of expenses means that expenditures have, in fact, been prepared on accrual basis, just as the revenue has been.

Madam Speaker, I am confident that I have demonstrated that there is no inconsistency between the details in the budget documents and the details in my Budget Address. So I hope that the Member for North Side understands that.

Madam Speaker, the reply to the Budget . . . as I said, they were at pains to criticise the Budget itself. The reply to the Budget [Address] by the Leader of the Opposition was, at best, lukewarm, lacking in knowledge. Quite frankly, he was lost for the most part on the budget matters. He used online polls from newspapers, which are not scientific and in which the same individual may vote more than once using a different email address or may encourage others to vote, as we know happens here, to start his analysis of the budget. From there, the Opposition Leader's reply went downhill.

The Member questioned the postponement of the Budget Address, but admitted that it was not late, since the amendment to the Public Management and Finance Law last year permits me to present the Budget even later in the month of June. He then made some boo-boos on issues which demonstrated his lack of knowledge on some very fundamental principles of economics in relation to the Budget.

Perhaps his most significant contribution was in respect of Immigration policy which seems driven more by the politics than its social and economic implications. Certainly, not on social, because how long has it existed and they would not budget? And it causes social disruption. How much? And it is causing economic disruption. How long has it existed? Since 2004? And they amended the Law several times and did nothing! I will come to that later.

Madam Speaker, first I want to address his failed attempts at trying to speak to the economics of the Budget. Now, I do not profess to be an economist. I am not. Nor am I an accountant. I am not. But I have been around here long enough to be familiar with some of the basic principles. Madam Speaker, I know the languages. I study the books. I know them.

For example, the Leader of the Opposition queried whether or not I was correct in suggesting that poor management of our economy, especially poor management of our fiscal affairs, could trigger a devaluation of the Cayman Islands dollar. Now, they have been hounding me about that because I have been saying so. But in suggesting that I was overstating the case for prudent fiscal management and its implications for the value of the country's currency, he literally implied that the Cayman Islands dollar cannot be devalued because it was tied to the US dollar. What a mistake! What a mistake! And this shows an absolute lack of understanding on the part of the Leader of the Opposition.

Since the Cayman Islands dollar is tied to the US dollar its value fluctuates against other major currencies as market forces will dictate. These fluctuations cause either an appreciation or a depreciation of the Cayman Islands dollar against the other currencies. However, devaluation is a policy induced decline in the value of the currency. Since the value of the currency is really a reflection of the health of the economy it follows that persistent poor health of the

economy can and will lead to devaluation of a country's currency. There is considerable evidence of this around us in various parts of the region.

Madam Speaker, I am, therefore, within my right, and certainly within the bounds of economic principles, when I say that prudent fiscal management is one way of protecting the value of the Caymanian dollar. And, by the way, Madam Speaker, even my good friend, Mr. Tibbetts, who said he wouldn't do anything on the best of mornings for me when it came to the economics, in his Budget Address in this Chamber on Thursday, 19 June 2003, made it clear that he understood somewhat the threat of devaluation of our currency in the face of poor fiscal management, because he then referred to the following comment, which I made in that debate, **"I am not going to allow us to get into a debt spiral which has the possibility to devalue our currency and would endanger future generations."** [2003 *Official Hansard Report*, page 286]

The First Elected Member for George Town (at the time) went on to say, and I quote, **"The adverse consequences of the debt spiral, of which he has correctly spoken"** (that's me he's referring to) **"apply whether the money is owed directly or indirectly by the Government."** [Ibid]

On the one hand the former Leader of the Opposition seems to have understood the implications of inappropriate fiscal management for the country's currency, while the current Leader of the Opposition shows ignorance in it. The ignorance grows, Madam Speaker, by leaps and bounds on the matter of our negotiation with the Foreign and Commonwealth Office when it comes to the nature of the postponements of the budget.

Madam Speaker, having budgeted for a deficit of \$31.8 million for the entire public sector for the current fiscal year ending June (this month) we expect to realise a small surplus of \$5 million. Madam Speaker, by any standard this is a remarkable performance, especially in the context of the three-year FCO plan in which we are engaged. That's a big turnaround of some \$36 million, nearly \$37 million. And that could only happen because what I said last year has held fast in that the budget would turn around with the impact of the fees.

He said it was going to destroy us, and they voted against the Budget. But this \$37 million turnaround could only come about because what we said worked. That's the proof of the pudding—the tasting thereof!

So, Madam Speaker, in this regard we accept that our claim to fame (as he put it) is prudent fiscal management, as stated by the Leader of the Opposition Wednesday in his reply. What we want the Leader of the Opposition to understand, though we understand that he has that limitation, or refuses to understand, is that having turned around the fiscal position over the last two years we were certainly not prepared

to interfere with personnel costs in a way that would be to the detriment of the country's employment levels and economy as a whole. In fact, if the Leader of the Opposition understood his own rhetoric, he would appreciate that to cut personnel costs is to further compromise the very laudable objectives of growing the economy and protecting jobs.

So, if he understood his own rhetoric he would appreciate what cutting the personnel costs would do. And this was our argument with the Foreign and Commonwealth Office. This is what we said to them. Ours is different down here. While it has to be managed, and managed over a period of time, cutting immediately and cutting drastically is just too much. It would damage the economy worse. So, while we can save on one end, you destroy on the other. And they understood that. And they said, *Bring your Budget down to this level, \$490-point-something million.* And we brought it to \$489 [million]. So we are down below where they asked us to be.

Yet, the Leader of the Opposition said that he identified 28 initiatives in the Budget that will increase expenditure. So, he spoke in tones which suggested that he wants the Government to cut expenditure. Well, we have done that! We have done that, Madam Speaker. We have cut expenditure, while protecting jobs in the public sector for Caymanians.

The Leader of the Opposition correctly identified that that part of the Budget [Address] which stated that policymakers like us are therefore very highly conscious of the ramification of unemployment to the extent that it has to be treated as the ultimate indicator of the country's economic performance. Perhaps he should also be able to identify with the fact that the creation of employment is a consequence of having a vibrant economy which requires greater and stronger partnerships, such as the public/private sector partnership, the domestic/foreign partnership, and the worker/employer partnership. I hope that he understands that.

In the pursuit of that vibrant economy we intend to commit to our part of the partnership, Government's part of the partnership. This brings me to another concept which the Opposition Leader would do very well to understand. And it is called a "primary fiscal deficit."

Madam Speaker, a government's deficit can be measured with or without including the interest it pays on debt. The deficit without interest payments on debt is called the primary deficit. This is an internationally accepted measure. I invite the Opposition Leader to Google "primary fiscal deficit." The primary deficit comes from the current account of the government. However, contrary to what the Leader of the Opposition was recently suggesting on a radio programme, the total fiscal deficit must always include capital spending.

What he said then made no sense, although he was doing his best to insult me, to tell the whole

world that this boy here doesn't know what he's doing, and that the Minister of Education—who is an accountant—should be the Minister of Finance . . . boy they like to fling that around. But that tactic, Mr. Leader of the Opposition, it's not going anywhere.

I am responsible for finances in this country. I am the Leader of the Government!

[Inaudible interjection]

The Premier, Hon. W. McKeever Bush: No. No. It is just the Constitution you put in place—or you claim you put in place, or you helped put in place. That is what gives me this authority. And I will do it to the best of my ability. So, while you might insult and poke fun, that can't help your case of not understanding!

What he said then made no sense. And I am beginning to understand why, Madam Speaker.

Madam Speaker, the concept of the primary deficit was proposed to Minister Bellingham to ensure that operating expenditure should, at a minimum, not increase in 2011 from the forecast 2010/11 out turn of \$490.2 million. This position of the operating expenditure not exceeding \$490.2 million in 2011/12 was suggested in Minister Bellingham's letter to me dated 10 June this year.

Madam Speaker, in addition to excluding interest payment financing costs of \$33.4 million from the original figure of \$532.2 million, for total operating expenses for 2011/12, we always proposed to deduct the net deficit of public authorities and losses of foreign exchange transactions from the figure for total operating expenses.

As a result of these legitimate adjustments, operating expenses are now at \$489.9 million, just below the targeted figure of \$490.2 million for the fiscal year 2011/12, as said to us by the Foreign and Commonwealth Office. This was achieved, and still personnel costs is forecast to increase by \$12 million in the same fiscal year 2011/12.

This proposed increase contains the flexibility that will permit the Government to address some of our social issues increasing around us, that is, Madam Speaker, more police, increasing the numbers in the teaching profession and those who deliver health care services. Those are the areas that I said to the Minister are the most important to us, as agreed by our caucus and our Cabinet. Policing, teaching, and health care services. And there are a few other small areas, like MRCU. But these areas here are the crux of our trying to deal with the social impact of what is happening around us.

I therefore accept my claim to some fame (according to the Leader of the Opposition) as a prudent manager of the fiscal affairs of this country over the last two years.

Madam Speaker, in all of my years in this Legislative Assembly I thought that the Appropriation Bill and the Budget Address had to do with the man-

agement of the fiscal deficit and the country's debt. Madam Speaker, after weeks of speculation about what new taxes would be imposed on Caymanian businesses and households the Leader of the Opposition appeared shocked—but I think he was pleasantly surprised—that the one revenue-raising measure actually contained a subsidy for residential electricity users.

[Inaudible interjection]

The Premier, Hon. W. McKeever Bush: Ah, Madam Speaker. How he likes to tout that about the damage put on.

He talked about how he had to punish the child, but he never looked at how the parents forgot to teach the child the right manners. Meaning, Madam Speaker, that if he had not spent what he spent recklessly, and made the Minister of Roads also spend the way he spent when we didn't have it, then we would not have had to do those things, Madam Speaker. The country would have fallen. They do not want to admit that. And they keep saying that we shouldn't tell them about the deficit and about the spending. No, they don't want to hear it; but hear it they shall, because it is the truth!

And it is the truth that if we had not turned it around, two things would have happened: extreme taxation or a devaluation of our dollar. And if he does not understand that, Madam Speaker, it is not because the Leader of the Opposition is blind Bartimaeus; it is because he is only seeing to Election Day 2013. So he wants to stop that possibility of us getting back here as a Government, and he again taking over. That's what he would like. And that is as far as they go.

They know, Madam Speaker, that we couldn't do anything about these things. The only way in a short period of time, of months, that I or my Government could have done anything without putting on the few fees that we did, was if we had gone into direct taxation or income tax, property tax, or the payroll tax. And even that would have created a gigantic system that we would have to have put in place.

[Inaudible interjection]

The Premier, Hon. W. McKeever Bush: Madam Speaker, don't talk to me about a three-year plan. It makes me cry.

[Inaudible interjection]

The Premier, Hon. W. McKeever Bush: It makes me cry.

I should not have to go to London about a plan. We don't need a plan, we need a house!

[Laughter]

The Premier, Hon. W. McKeever Bush: We [would] not need a plan if he had done what was right or if he had built and kept the foundations. But he worked the foundations away and we couldn't build a house.

[Inaudible interjection]

The Premier, Hon. W. McKeever Bush: Don't talk about any FCO plan; we had to put one in place. And it took some time to do it.

But understand this: Had we not done it in that timeframe of May 2013 *[sic]* when, Lo and behold, I got elected and I hadn't heard anything about any deficit [DIGITAL SKIP] money, because that's what they were saying when they were right here, *We've done good; we've got money, and we can spend this.*

Well, poor old me, I didn't know any different. I didn't see any accounts. There were no accounts!

And the First Elected Member for Cayman Brac and Little Cayman talks about openness and transparency; that he is much afraid it is does not exist now. No wonder he is not here today, because I would deal with him. But since he is not here, I will leave him out of the equation. But the rest of them are here. They have to understand. It is their fault! And that is what politics is. It is saying what you did that you should not have done to cause a bad day, and that's a fact. But you must accept that the Member for George Town, who is now leading the Opposition, must accept the role he played in doing what he did.

So, don't come now and ask about whether CUC was notified. Why do you have to notify them? Not right away. I didn't have to notify them that I was going to make that change. What I had to do was try to get the money so the country wouldn't lose it and try to get the money so that the people's electricity bill in their houses would fall. That's what I had to do first. And then I could go to them.

[Inaudible interjection]

The Premier, Hon. W. McKeever Bush: No, Madam Speaker!

We had to increase it because we never had any money to run the Government with. He wouldn't have gotten his salary. And others might not have gotten theirs. I might not have gotten mine. So don't come now about me increasing . . . I had to increase it at that time. But what I promised, if people would remember, is that I would find a way to take it off when I could.

[Inaudible interjection]

The Premier, Hon. W. McKeever Bush: And the truth is, Madam Speaker, that if we want to dig down a little bit more, if he and his friend (who's not here, the one from East End) had not given that sweetheart deal to Caribbean Utilities, and now the former Leader of the

Opposition, who has gone out of the House . . . but if the three of them had not been the culprits and spear-headed giving Caribbean Utilities that sweetheart deal that they got, they would not have been able to charge the rates they get today.

[Inaudible interjections]

The Premier, Hon. W. McKeeva Bush: They shouldn't even go there, Madam Speaker! It really irritates me so!

Then to think that as they got elected they gave Caribbean Utilities all that money that we had to pay after Hurricane Ivan wrecked up the Island.

[Inaudible interjection]

The Premier, Hon. W. McKeeva Bush: Ask them how much they gave Caribbean Utilities. We had to pay it!

Ten million dollars? For what?

We still don't know for what. But we had to pay. And you have the audacity to tell me now that I made people pay a few cents on the fuel?

[Inaudible interjection]

The Premier, Hon. W. McKeeva Bush: Madam Speaker, people do know.

He is saying, Madam Speaker, that people know. Yes, he thinks people forget? Why does he think he is where he is at now? People didn't forget! You thought they would forget!

He thought they would forget, Madam Speaker! But when he went to the polls they laughed at him and said, *What about my electrical bill?* And they slapped him again. They slapped him in George Town, and they slapped him in Bodden Town. "*My electrical bill*" was part of that slapping-up that they got, Madam Speaker.

[Inaudible interjections and laughter]

The Premier, Hon. W. McKeeva Bush: Well, if they throw me out, they are going to throw me out for trying to help them. That's what they are going to throw me out for.

You can say anything you want, but the fact is that you are to blame and you should accept it. The Member, who is over there making these remarks, Madam Speaker, that I have to reply to, that you don't want me to . . . it is him! It is him.

It is him, Madam Speaker, I can't forget it.

A couple of mornings ago when he was on the Prayer Breakfast, he said, *I don't want to hear no more about Jamaicans and this, and Filipinos this, and this and that.* And the man behind said, *Him not started...* I said, *He's the man.*

[Laughter]

The Premier, Hon. W. McKeeva Bush: The man said, *Him not started, boss?*

I said, he's the man. He started it.

Madam Speaker, that's as far as I . . . perhaps you should—

The Speaker: I think we need a lunch break now to settle everybody back down again.

We will suspend the House until 2.30.

Proceedings suspended at 1.00 pm

Proceedings resumed at 3.09 pm

The Speaker: Proceedings are resumed, please be seated.

Madam Clerk, we need to swear the legal representative.

ADMINISTRATION OF OATHS OR AFFIRMATIONS

Oath of Allegiance

(By Ms. Vicki Ellis to be the Honourable Temporary Second Official Member responsible for Legal Affairs)

The Speaker: Ms. Ellis.

Hon. Vickie Ellis: I, Vicki Ellis, do swear that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II, her heirs and successors, according to the Law, so help me God.

The Speaker: On behalf of this honourable House, I welcome the Honourable Temporary Second Official Member responsible for Legal Affairs, and invite her to take [her seat].

[pause]

The Speaker: Please be seated.

When we took the suspension, the Honourable Premier was on his feet concluding the debate on the budget. I would ask him now to resume his contribution.

DEBATE ON THE THRONE SPEECH AND BUDGET ADDRESS

[Continuation of debate thereon]

The Premier, Hon. W. McKeeva Bush: Thank you, Madam Speaker.

When we took the lunch break I was concluding my remarks on the matter of the fees raised to put towards the CUC bill for residential electricity users.

As I said, Madam Speaker, even that the Opposition was criticizing. Their major concern seems to be whether or not the Government consulted with Caribbean Utilities on the size and nature of the subsidy. That will be done in due course, Madam Speaker. First I had to get the facts to raise money.

But I make the point again that when we had to increase our fees in the budget some time ago, due to the mess that the last Government left us in, I said that as soon as I could rectify some of that, I would. And, therefore, I am keeping my work in helping the people of this country. That is what a Government is supposed to do when we need to be concerned for our people. The difference between our Administration and theirs is that they seem to be concerned with CUC's health and not concerned with the health of our people. But that is [what] we are supposed to be concerned [about].

[Inaudible interjection]

The Premier, Hon. W. McKeever Bush: Madam Speaker, what is not consistent with the Opposition is the call for more cruise ships. In this case there is a big element of hypocrisy which I will now demonstrate.

I can recall the efforts made by the last UDP Administration to encourage cruise tourism, and I can also recall the attempts to put the process in place to build a berth for the cruise ships. Furthermore, I can readily recall the attitude of the then People's Progressive Movement Opposition, which is well represented in the comments by the former Leader of the Opposition.

The First Elected Member for George Town, in speaking to the budget of 2003, said many things. But only a few stood out, one of which is the following, and I quote: ". . . **the Government seems intent on a course of action to encourage even more cruise ship visitors. The Government is supporting and promoting another cruise ship facility in your district, Mr. Speaker, and again we wonder, with all of the additional numbers, are we really going to get further ahead in that sector or is the price going to be much more than we would wish for it to be.**" [2003/4 *Official Hansard Report*, page 295]

This view is at complete variance with the view being expressed by the current Leader of the Opposition who not only wants more cruise ships, but is pronouncing the death of George Town if they are not forthcoming. But what was more striking, Madam Speaker . . . I know my friend the First Elected Member for George Town, whatever is good at that time or political at that time, he is going to say it!

Mr. D. Kurt Tibbetts, First Elected Member for George Town: No!

The Premier, Hon. W. McKeever Bush: And that was what was political at the time—to beat me up because

the numbers were increasing. And whoever was advising them on tourism at the time was telling them, *Beat him; too many people*. And, of course, some of the poor taxi people who were making money out of it could not see the difference. All they knew was that they wanted this Government out and they wanted the PPM. They were satisfied with what they were saying, and they could get them to say it, and so, say all. Do away with the cruise . . . too many people, they said. Too much, too much!

Now, Madam Speaker, you know what happened, and I will come to that.

But what was most striking, was the reason given by the former Leader of the Opposition for restricting the growth of cruise ship visitors. He said: "**It seems like the Government is pursuing this course of action despite the overwhelming evidence across the region that concomitant with an increase of cruise ship visitors is a drop in the number of stay over visitors.**" [Ibid]

And I know where he was getting that from! As I said, bad advice. Bad advice! Some eight years later these views could not be more incorrect across the entire region. Indeed, regional tourism authorities are very concerned that the prospects for cruise ship visitors are diminishing and especially so at a time when fuel prices are increasing.

The further south the ships have to go, the dimmer the prospects for growth. In fact, ship call projections do not look positive for 2012/13 and beyond as there is some re-positioning to other markets such as Europe and the Pacific. Fortunately, the designations in the northern part of the region are not going to suffer the same fate. In this sense it is imperative that the cruise berth be built as soon as possible with the obvious objective of improving the competitiveness of the Cayman Islands as a cruise destination.

The truth is, Madam Speaker, what has happened . . . and they talked about it. They poked their fun and made fun talking about we had two or three companies now that we have been talking to. The truth is, Madam Speaker, that if we had gone ahead and done the wrong thing they would have had something else to cuss me about. But, because I did not rush full speed ahead with them and looked at each one and said, *This one is the best one and this is who are going to go with* . . . that is the truth of it.

But, here is more truth: We allowed our competitors in the north to get ahead. That is the truth. It is not too late to find the path to a better way, though, because one of the things they haven't investigated for was the dock. One of the things they brought to the committee was that I had signed an agreement with Misener Marine in 2005—that is a fact; the records are there—to build a cruise berthing facility. And when [the PPM] got elected they stopped it and investigated me. And in so doing nothing happened—no berthing facility.

The wise man that they had in, the one that said, *You've got him now; you've got the man you want now*. Yeah, they had him all right.

What happened? Nothing! He looked at one and it didn't go anywhere until about three years after they had gotten in. Nothing happened. They stopped the deal I had signed giving Misener Marine permission to start the negotiations to get it built—which they could have done. No, no! They would rather make me look like I was doing something nefarious, to make me look like I was getting something out of it. That's what they were saying. And [they] stopped the deal, investigated me, and what happened? Our competitors kept going. In the meantime Belize got built, Roatán got built, and Falmouth, in Jamaica, got built. Now they blame me for not having more cruise visitors.

We are going to get it built. Not only that, we are going to fix the Spotts Dock and we are going to put one in West Bay. And I am going to see it, too, this time, Mr. Leader of the Opposition, that if the people even have a mind to change . . . nobody knows that. They won't do next time what you all did in stopping the West Bay cruise jetty, because what you all did was to virtually kill the Turtle Farm. And they come and say, *Sell it! You should have sold it. Bad idea*. It was no bad idea. It's a good idea; it's a good facility.

The problem is that it was built on the precept that they would have direct access to more cruise passengers. The road system could just not take 600 people there a day. The dock had to be put in place. They killed it. They stopped that too. Investigated me for that too. Called me here . . . I will never forget the day. Sent the police to talk to me.

Madam Speaker, I never got [anything] out of Government by doing anything that I should not be doing. I work for it! And they can say what they like. You don't forget those things.

This is an expensive seat, Madam Speaker, because they thought they would run me out. They thought that they would run me out—perhaps that is still what they are thinking. Come! Come!

I told my church yesterday that I am coming off of this platform because there is a political war brewing, and I am going to be ready. I don't want my church embroiled in it, but I am going to be ready.

While some people think that they can scandalise and say all manner of evil about you, that that's it . . . and in Cayman, really, mostly that's it. All you have to do is raise the question—and they know that—politically; get it on the television, get it on the blogs, get it on the newspaper's front page, and there you go. It is so. Not waiting on the facts—twisting it out of shape, putting their own name to words—not waiting on the facts.

Madam Speaker, that brings me to doing business with China and the Chinese, with which the Leader of the Opposition and the Member for East End, in particular, have difficulty. Again, it is a sign of ignorance that they do not seem to know, when they

talk about dealing with a communist country, that the United States of America relies on China to purchase the majority of its debt, not to mention the volume of trade between the two countries. Indeed, Madam Speaker, in recent months President Obama has been encouraging manufacturers in the United States to look to China and the emerging markets to increase the country's exports.

Give me one good reason why the Cayman Islands should not do business with China. Communism? Do you believe that you can catch that like you catch a cold?

[Inaudible interjection]

The Premier, Hon. W. McKeeva Bush: Madam Speaker, if I were fool-fool, like some people, probably. But I am not!

[Inaudible interjection]

The Premier, Hon. W. McKeeva Bush: *[addressing the interjection]* Ah, well you tell me things across the floor and see if I am blind Bartimaeus or if I am not listening.

The Speaker: Let's try and keep the—

The Premier, Hon. W. McKeeva Bush: Madam Speaker, I am not . . . I am doing very good here today. Let's agree on that, because I could really be much hotter than I am!

[Inaudible interjection]

The Speaker: Just please proceed.

The Premier, Hon. W. McKeeva Bush: And the people who raise this stuff are the ones that should have been stopped. So let me answer.

Give me one good reason . . . don't talk about Communism. Give me one good reason why. The UK itself is doing business with them. So you come here and talk about communist? What [are you trying] to do business with the Cubans?

Everything and anything is being said. Everything and anything is being said by the Opposition to *blackgyaad* whatever we are trying to accomplish. Yet, Madam Speaker, they say—they say—they are trying to help. Oh yeah?

Madam Speaker, they say that they are supportive of the Government's efforts to turn the economy around. When they speak, though, they are very angry and full of hate, it seems. The good deal we are striking with the Dart group is for the people of these Islands. They know this, and so they are very angry about developers because they, for all of their years in Government, alienated their party from investors and they rely now on their head. You can tell it by the way

they use one project to scream murder where there is none.

They want the Government to fail so they *blackgyaad* anyone and everyone they think might help us to be successful. That's a fact. That's their problem. Everybody . . . there is something wrong with them. The only thing I see different with them now is that the rollover is a bad thing. I'm going to come to it to show [the] hypocrisy.

Madam Speaker, they want to help? They don't even want to sit there and make a quorum. They tell you there's no quorum, they go through the door . . . and they want to help me? They don't want to help us, Madam Speaker; they want to accuse us and tell the people that this Administration is dealing with bad investors and say that there are nefarious things going on and there is crookedness and there is this, that and the next thing; throw cold water on every project; *blackgyaad* us, blame us for everything. That is what they want. They do not want to help, no matter how much they sit down over there and say that they want to help us.

Help us? Help us into the grave!

Fool with them and see if you are going to get help. I am not that stupid, Madam Speaker. I have been around some time, and I have seen the moves. They can't dig that hole too small that I can't see through it politically, and that's why they don't want me here, because they know that. Some of mine might be less discerning; but not me! I know them. I know my people.

Madam Speaker, the Member for East End went to great lengths to try to besmirch the deal that we are beginning with the China Harbour, talking about somebody up there checking in. He said they were being investigated. I took the time out to call the people and get them to write a letter (this is the National Works Agency) because it was that person's name, Mr. Patrick Wong, that the Member for East End said that the Contractor General was calling on to investigate the China Harbour Engineering Company Limited. And this is what they wrote on June 16th:

“China Harbour Engineering Company Limited (CHEC) was awarded two contracts in Jamaica under the Preferential Buyers Credit, namely:

- "1) Palisadoes Shoreline Protection and Rehabilitation Project”** (Big project up there, Madam Speaker.)
- "2) Jamaica Development and Infrastructure Programme (JDIP)**

“It is standard procedure of the Office of the Contractor-General of Jamaica to request information from the National Works Agency (NWA) on the various sub-projects under JDIP.

“As far as we are aware, CHEC is not under investigation by the Contractor-General as the two contracts awarded to them were approved by

the Cabinet of Jamaica, which is the highest contracting authority of the Country.

“Regards

“National Works Agency

[signed] **“Patrick Wong, Chief Executive Officer.”**

I want to lay this on the Table of the House.

The Speaker: So ordered.

The Premier, Hon. W. McKeever Bush: Further, Madam Speaker, the same Member went on much about communists and how we are dealing with Communist China.

I have several articles to show the amount of investment that China is having throughout the European Union—billions of dollars—and not with any communist territory there. We are talking about the emerging economies in the European Union.

[Inaudible interjection]

The Premier, Hon. W. McKeever Bush: That is the same one; the same European Union. The UK itself; millions of dollars.

Here is a picture of [Prime Minister Cameron inspecting the Guard of Honor in China](#).

I am going to take time to read it, Madam Speaker. And I am going to lay it on the Table too.

“Prime Minister David Cameron has arrived in China with the largest British trade delegation ever to visit the country.

“The PM, the Chancellor of the Exchequer” (that is the Finance Minister) **“and other ministers have been joined by 50 British business and education leaders as part of a drive to increase trade between the two countries.**

“Writing in the Wall Street Journal today, Mr Cameron said: ‘[The trip will] provide a further step forward in UK-China relations, adding momentum to our commercial relationship and cementing an economic and political partnership that can help to deliver strong and sustainable growth and greater security for us all in the years ahead.

“On this visit alone, Britain is set to sign new contracts worth billions of dollars involving companies across the UK and cities all over China.’

“Mr Cameron was welcomed by Chinese Premier Wen Jiabao at the Great Hall of the People, where he inspected an honor guard before commencing the formal summit.

“Over 40 specific agreements dealing with trade, low-carbon growth and cultural and education initiatives are expected to be signed over the course of the two-day trip. Deals already agreed include £750 million for Rolls-Royce to supply and service jet engines for China Eastern Airlines and

the construction of 50 new English language schools by Pearson.

“Such agreements will ‘help take Britain’s relationship with China to a new level’, said the Prime Minister.

“Further highlighting the opportunities for British companies in China, the PM made an earlier visit to a Chinese branch of Tesco in south Beijing.” (Tesco, Madam Speaker, being a big English firm.) **“The British food chain is planning to invest £2 billion in China as it expands from its existing 99 stores in the country.**

“Other issues being discussed at the summit include addressing global economic imbalances; the need for the completion of the Doha round of World Trade Organisation talks; progress on low carbon growth; and education co-operation.

“During the trip he also announced the names of the Coalition Government’s new Business Ambassadors, who will promote the UK’s excellence in overseas markets.”

Madam Speaker, the Prime Minister of the United Kingdom, a young man who I have a lot of confidence in, Mr. Cameron . . . in fact, let it be known that I am a strong supporter of the Coalition. We have a very good relationship. And when we talk here about the UK, the Foreign and Commonwealth Office, and we now have to talk to desk clerks . . . this is not insulting; we have a good relationship. The new Minister is a gentleman. He is a decent man. And what they have been saying is not wrong, that Cayman’s budget and economy needs to be sustainable. That is not wrong; that’s a fact. I do not disagree with that. What I disagree with is having been put there by the PPM.

For over 180 years we never had to deal with them to get a say-so, or a “yes” for our Budget. That’s what I disagree with. That’s what I want to pound them into oblivion for, for putting us in that mess—meaning the Opposition, Madam Speaker. They cannot blame the UK. Blame them!

So, our relationship with the UK is a good one. I just want to say that as an aside. The PPM gets up here and talks nonsense about us being in Communist China. Ha! Don’t they read? Don’t they look at *Bloomberg*? Do they read *Bloomberg*? Do they look at the international media? Don’t they get the website of the Foreign and Commonwealth Office and see what’s going on?

[Inaudible interjection]

The Premier, Hon. W. McKeever Bush: I want to lay this on the Table.

They are a bunch of jokers, Madam Speaker. They are a bunch of jokers to come here trying to—

The Speaker: So ordered.

The Premier, Hon. W. McKeever Bush: —wreak havoc by telling people that I am dealing with communists. Communists? I wish that the Chinese could do a lot more work here. We’ll get something out of them for this country. No question about whether they have the funds. They have the funds to do. All we have to do is make sure that Caymanians get out of it . . . and I announced—I announced—a business venture, a structure for Caymanians to invest in. And that’s going to happen.

So, Madam Speaker, they talk nonsense. And it is unfortunate that I have to take time to deal with that nonsense. But there are records here in this House called the *Hansards*. And we can’t let them get away by saying all this foolishness without being contradicted with the facts.

Madam Speaker, yes, our hands are full. And I have been told, *Look here, you just have too much going*. There are no two ways about it, Madam Speaker, Government’s hands are full. Some of the matters that I would like to see addressed cannot be all done at one time, and especially done in a manner that will fix the problem or address it properly. And so projects like the North Sound Channel were taken off the table. We listened. We don’t have the time to get environmental impact studies that would need to be done and all of this. We took it off.

The matter, for instance, of a legal aid office is another one. And that matter will be addressed by a system that will entail having someone in place in the courts office that will run the system through the courts office. I am more satisfied with such an arrangement and feel somehow settled that there is a better system to be handled at this time. So I am more satisfied. We cannot do everything. But we have been working on a number of issues, Madam Speaker. And some of them we have to move along.

Madam Speaker, the Leader of the Opposition questioned who is making tourism decisions—again, in an insulting manner. I am the Minister for Tourism, so, ultimately, I have that constitutional responsibility. However, due to the large workload that our Government has, the many problems that we found not even realising they were there; we have delegated some responsibility to our Backbench colleagues.

My colleague, the Third Elected Member for West Bay, the Deputy Speaker, deals with Tourism. That is what I was questioned on. That happened also because they would not agree to implement the necessary sixth Minister. No. They would not agree, although it is in the Constitution. And, had the referendum been in July or December . . . let’s say December, or July 2008, then all the things that were supposed to have been changed when the election took place in 2009 would have come into force. But they didn’t do that.

The elections were in May 2009, and the referendum was there. So, what does the Constitution say? [It says] after the next election. It was not meant

to be. But when we put it to them that this was the meaning, they would not agree with that, although that was what it was. And then we would have created the two ministers and the workload would have been a whole lot different. They would not agree.

They want to agree with us? They want to help us? Who do they think they are talking to? They don't want to help, Madam Speaker. It's been proven time and time again. They sit in the Business Committee and tell us one thing, Madam Speaker, and then they run to you with a motion to undo it and try to make us look bad before we can even move, and we don't even know they are going to do it until they spring it on us here in the morning.

They want to help? No, they don't want to help. Help us into the grave!

So, while he is not the Minister of Tourism, the Deputy Speaker has the delegated responsibility for Tourism. But along with the other previous members of the Ministerial Council, that is, Mr. Jude Scott and Pilar Bush, it is obvious, and the record shows, Madam Speaker, that they have done a great job. They have achieved the work—and I will go on to explain some of it—while also reducing the budget in the last two years by \$7.3 million.

They are talking about not reducing expenditure? Did they stop and look at what they were spending?

[Inaudible interjection]

The Premier, Hon. W. McKeever Bush: Twenty nine million dollars in Tourism. We have reduced it down to \$22 [million], maybe below that now.

So, when they say over there that we are calling for expenditure to be cut but they see expenditure rising, we are cutting. We are cutting expenditure.

Madam Speaker, initiatives like the increased airlift and sports tourism has helped us to achieve a better position. I can say thanks to Mr. Scott, and thanks to Pilar Bush, for their hard work.

As the Minister of Tourism, Madam Speaker, I can say with confidence that the Cayman Islands have done much over the past two years to maintain our competitiveness as a premier destination. We have had to take some hard decisions, reorganise ourselves and make strategic changes. You will see from this presentation that these actions have reaped significant rewards for our tourism sector and these Islands in general.

Madam Speaker, the numbers tell a pretty good story of what the tourism sector has been able to accomplish, despite a very tough environment. In terms of air arrivals, we ended 2010 some 6 per cent ahead of where we were in 2009. Figures for December 2010 were the highest for any December since the year 2000. And January [2011] registered an increase of 5.8 per cent over January [2010] which equated to 26,445 stay over visitors. Again, Madam Speaker, this

was the highest figure we have seen in any January since 2001.

The figures for the end of the first quarter of 2011 show that our air arrivals have continued to grow. At the end of March, Madam Speaker, air arrivals numbered 93,822, representing a year-to-date increase of 6.8 per cent over the figure of 87,841 for the first quarter of 2010.

The air arrival figure for the month of March 2011, which is 37,466, also represents a 5.1 per cent increase over the 35,642 that arrived in March 2010. Additionally, each of our main-source market countries also registered positive gains for the first quarter of 2011 compared to the same period in 2010. This, Madam Speaker, translates to a 4.1 per cent increase for the USA, 6.6 per cent for Europe, and 35.9 per cent for Canada year over year.

I heard one little runaway from the PPM talking about *he made it happen*. Yeah. If we had to depend on him to fix tourism, you can believe it would have happened all right. The mess that that little runaway left. Ha!

Madam Speaker, it's atrocious, as you heard the Auditor General say. No use going after accounts because they don't know where \$69 million would have been spent. And they are over there, Madam Speaker, talking about not having accounts and not getting accounts when their own tourism minister can't . . . or the Auditor General said they can't give account for \$69 million?

Don't look away! Raise your hand up and say what in the world he did.

[Inaudible interjections]

The Premier, Hon. W. McKeever Bush: Well, I might have a surprise for them yet.

[Inaudible interjections]

The Premier, Hon. W. McKeever Bush: Yet they talk about transparency and accountability and good governance—buzzwords; stuff that people may want to hear if they want to call an investigation or a review. Yes.

You want something? Check into that.

In terms of cruise arrivals, 1.59 million passengers visited the Cayman Islands in 2010, which represents an increase of 5.1 per cent over the figures for 2009. Again, Madam Speaker, I heard the Member for George Town telling me . . . you want something to do? Go get the poor old taxis that can't get any cruise business.

Well, it will increase with us.

Where was that . . . the now Leader of the Opposition . . . they were the same people, though, that were saying we shouldn't have so many cruise passengers here. One year they say one thing, the next year they say something else. One thing about it,

you can't have a plan for them, because you don't know where they are going to be.

[Inaudible interjection]

The Premier, Hon. W. McKeever Bush: We had them increase.

Madam Speaker, the problem I outlined with people . . . now they are not seeing a lot of people [because] some of the ships are redirecting, [are] being redirected elsewhere. And we do not have that. When we get that facility, one ship alone would bring 6,000 people. And, Madam Speaker, these increases, you know, did not take me sitting down here and coming here talking. That didn't get it done. No. It took many visits, much driving up and down from one end of Miami to the next end to deal with the cruise association. Many, many visits! Many, many talks . . . while they cuss me for traveling.

Madam Speaker, for the first quarter of this year we also realised significant increases in passenger arrivals over 2010. Cruise arrivals at the end of March this year numbered 510,648 compared to 472,036 at the end of March 2010. This represents an 8.2 per cent increase year on year.

Cruise arrivals for March 2011 totaled 190,733, an increase of 7.3 per cent over the 177,664 that arrived in March 2010.

So, Madam Speaker, let us look at these numbers in the context of the Caribbean tourism market. And as we do, Madam Speaker, we may remind ourselves that at the start of the global recession around the end of 2008, the Caribbean Tourism Organization [CTO] predicted that the tourism sector in the Caribbean region would decline by 30 per cent.

Was that told to anybody in this House? No. They couldn't tell us, you see, Madam Speaker. And they wouldn't tell us what CTO was telling them, because if they had, they knew my questions would have been, *Well, what are you doing about it? What are you doing to rebalance? What are you doing to help?* They couldn't tell us. They couldn't tell us that, like they couldn't tell us about the Dragon Bay February 2009 agreement, the concessions there. They couldn't tell us that!

Madam Speaker, here in the Cayman Islands we have done good. We have worked. We defied the odds. Rather than declining figures, we have been registering very encouraging growth and doing better than many of our regional competitors in that respect.

Madam Speaker, we can't just get something done over night. Yes, we couldn't . . . with the Dart Group. They were moving between 50, 90, 100 years. We couldn't go with that. GLF, from our position didn't have the funds ready. But, Madam Speaker, what we are doing is going to benefit the country.

Right now . . . and it has not just been this way, Madam Speaker. I was born in a tourism family that worked in that industry, worked in the North

Sound. My stepfather and my mother [worked] in the hotel industry. I used to go there half a day from school when we used to have half a day school. So I have been in this, I know about it, watched it. I've been the Minister of Tourism. I have been, as a Backbencher, sticking to the labour issues for them. So, I know it. There are always swings of up and down. There is an off season and there is a season. There always has been. And we want to get to the position where that off season and on season are melded so they have one good season.

So, Madam Speaker . . . don't get up now and talk and let people believe that I am doing the greatest wrong in the country.

Where were they going to build the cruise dock? My position is . . . and where I was looking at a port in the east, was I wanted to shift cargo and cruise tourism because I felt that George Town should become a Mecca for tourism. And we built a cruise ship and we encouraged shops, sidewalk cafés [DIGITAL SKIP] and all these different things that make it touristy, and a good place that you want to come to in the evening.

And since we couldn't go in the North Sound or since we couldn't go anywhere else, have the cruise ships tied there and they could stay overnight. This gives an atmosphere, Madam Speaker, to something that people want to have on their vacation. They don't want to come and sleep all the time. They can only look at their girlfriend for so long (and boyfriend); they want to have fun. And that is what I think we should have been creating here in George Town.

So, I signed that Agreement with Misener and with Royal Caribbean and Carnival, Madam Speaker, backing it up, and they were going to pay for it! The PPM stopped it! And began to do what? Oh, we are going to create a little dock here . . . but we can move the big dock down . . . ?

Mr. Ellio A. Solomon, Fourth Elected Member for George Town: Seven-Eleven.

The Premier, Hon. W. McKeever Bush: Down by . . . to carry away poor Mr. Arthur's shop. Build it down there.

I know the investor. They talked to me. "I said, I'm sorry, I don't agree with this. George Town is expanding." George Town is expanding!

[Inaudible interjection]

The Premier, Hon. W. McKeever Bush: It's not dying, Madam Speaker. It needs more action. We need things done.

But, Madam Speaker, I couldn't support that. I wanted a cruise facility, not the cargo to prohibit growth. Because, if you put a huge cargo port, the one that I am thinking about is transshipment, because that is what I want to see. I want to see transshipment

in this country because it can make this country sustainable.

I am not talking about *feyah-feyah* shipping. I am talking about vast economy. And they ran away Carnival and Royal [Caribbean] and caused a big fuss with them because they wanted them to put in money for the cargo. They wouldn't tell you any of this. Did you hear anything about it? No! Because they did things in secret. Did any of the bloggers or the *Caymanian Compass* or anybody know? Or television? No, they haul them down here every day now, though, looking for McKeeva, to talk to me. I am going to talk to them. Some of them are my friends. I will gladly talk to them when I'm ready. That's an aside.

Madam Speaker, that dock there, what they are doing with it now is going to be the improvement it needs in George Town. It has been lighting up George Town at night. It will bring business. And if they had done their job we would have been there today. But they did not want to say that McKeeva Bush had started it.

In fact, what little I got done out there, when they put my name on it the hurricane came and moved the sign. They picked it up and carried it out and dumped it up there in Industrial Park. Charles Clifford put his name on it. What a joker! What a joker.

Madam Speaker, they didn't want to say that I had gotten it done, so they stopped the contract and ran the people away and, therefore, had a bad atmosphere with the cruise industry. I had to come back and mend it—because I had built a good one with them. I got them to invest in what we have there now. I had gotten them to do that. Yet they cuss me and say all manner of evil about it. But what is there, I got it done. And I didn't go down there and have any boxing for \$2 million for Government to pay.

So, Madam Speaker, when they come and talk about docks and cruise, this country cannot move forward by having any dock with cruise together there in George Town. None!

Bermuda, who is very, very restrictive in their cruise policy, separated them. They got on one side of the island . . . they had to do dredging. Maybe they were more conducive to what was proposed in East End. Maybe, I don't know, because proper environmental study would show that. But they got it.

I was there for the OECD meeting a couple of weeks ago at the cruise ship tied up overnight. In fact, it had been like two days. They had all their people. They are showcasing their young children. They come out, their children do dance groups. They have all kinds of programmes out on Front Street (I think they call it). And it is something to behold. The local population comes out and mixes with the tourists. The tourists learn more about the country. They mix with the locals. It's a fantastic evening. Business is open until late in the town . . . and we lost our opportunity because the PPM stopped it.

Look at what is going to happen to Falmouth. Mark you, tremendous history, a world project, a world heritage site. And look at what they are going to do. And we are behind times! Yes! But nothing is going to stop it now—only the sea . . . only God. Because by the time the next election is called, if the people want change—and I don't know whether they might—it can't be too far by any runaway person from any group to come in and stop it as they did the last time.

Madam Speaker, in 2010, Cayman's growth rate for air arrivals was one of the highest in the region, stronger than many of our Caribbean competitors, such as Barbados, Jamaica, and the US Virgin Islands, which all registered less than 6 per cent increase in 2010.

Of the 28 countries which reported their annual figures to the CTO [Caribbean Tourism Organisation] in 2010, only four of these, including the Cayman Islands, had arrivals above 6 per cent for 2010.

And so, Madam Speaker, our improved performance is not just about numbers. Qualitatively, our tourism sector has come in for high praise from visitors and industry experts alike. In February of this year, Seven Mile Beach was recognised as the best beach in the Caribbean, by *Caribbean Travel + Life*, which was voted on by over 250,000 readers of the magazine. And just this month we also received the news that the Cayman Islands have been recognised as the number one travel destination in the Caribbean by *TripAdvisor* travelers.

In addition to being selected as the number one travel destination in the Caribbean and Mexico category, the Cayman Islands is the only Caribbean country listed in the top 25 destinations in the world which, Madam Speaker, is a phenomenal achievement, really.

These *TripAdvisor* awards are based on more than 10 million real and unbiased traveler reviews and shows that visitors are leaving our shores extremely satisfied with their vacation experience in spite of the negatives that are being pushed in these Islands.

They say . . . and this is not the Department saying this, these are done by exit checks. They say they are satisfied, extremely satisfied, with their vacation experience. Not to say that there are some that are not; but in the majority they are. And that is what counts. Winning accolades of this caliber underscores that we are on the right path in terms of rebuilding our tourism industry. These results highlight the hard work that is being carried out behind the scenes by the Department of Tourism and our industry partners to promote our destination and to distinguish ourselves in a very competitive marketplace.

And I am going to give the Deputy Speaker much more work to keep him busy. He is going to get more work, Madam Speaker.

One of the Department's primary objectives is to get repeat visitation and referrals. And in today's world, where so many are connected online, there is

no greater referral than comments from actual travelers. And when these comments are on websites like *TripAdvisor*, they are seen by millions of travelers and the value of the Cayman Islands becomes rather significant.

Exposure of this magnitude enables the Cayman Islands to receive positive and consistent coverage across all media channels. The PR value this brings is calculated in millions of dollars and this programme is a critical component of our PR outreach in major markets.

Madam Speaker, one of the things that the Tourism Council, in particular the counselor, the Deputy Speaker, Madam Speaker, has worked on seriously and hard, even to getting out there and looking like he's killing himself, he and the Minister of Sports. The worked hard on sports tourism. We never heard much about it before. We used to talk about it. But various sports tourism initiatives have also contributed to our growth in visitor numbers over the past year and in building awareness of the Cayman Islands brand.

Last year we provided financial assistance and other support to several notable sporting events, such as, the Cayman Squash Open, the CARIFTA Games, the Flowers Sea Swim, the NORCECA National Volleyball Championship, the Friends Invitational Golf Tournament, the Cayman Islands Marathon, the Garmin-Cervelo Transition Cycling Camp. Madam Speaker, this is sports tourism—all helping to add to our tourism product.

Madam Speaker, when I went Saturday evening to the Flowers Sea Swim to add my help just by giving out awards, this is the kind of initiative that we must continue to support. Hundreds and hundreds of people . . . many hundreds of visitors . . . well, nearly 300 visitors with their families, now, visitors who participated, so it's much more than that. But they come with their families. This is something that we support and push.

I remember when Mr. Frankie Flowers came to me as the then Minister of Sports and said he was going to do this sea swim. And I had to wonder, *boy, is that really going to take off?* You usually see swimming in the pools, the championships and so on. But, boy hasn't that caught on. And isn't it something . . . I mean, it's so clean, and the people that are there are so enthused and proud. I mean, we have champions coming in, Olympians being there.

I was so proud of Mr. Frankie Flowers and his daughter, the family, for the impetus, the efforts they made, the commitment, spending their own money first. Other people now help.

Then, Madam Speaker, just look at what he did with the bridge, what they called . . . *Bridging the Cayman Islands* with Penny Palfrey.

Madam Speaker, *Yahoo! Shine* (I think it is called), interviewed Penny about her expectations for her long distance swim between the Cayman Islands.

They receive some 21,235,536 unique visitors each month on that website. *Reuters International* announced the news following Penny's monumental swim. *Reuters Africa*, *Reuters UK*, *Fox Sports*, *Yahoo! News*, the *Weather Network*, in Canada, the *EuroNews Europe*, *NTN 24 News* (that is Latin America), *ABC News*, in Australia, the *Standard*, Hong Kong . . . this coverage results in approximately 70.8 million total consumer impressions internationally.

The *Associated Press* announced the news following Penny's swim. The *Canadian Press* Canada—that includes *Canadian Press*, Canada, *Winnipeg Free Press*, Canada, *Metro News*, Canada, *Herald Sun*, Australia—and they have total consumer impressions around 2.3 million. *Associated Press* television news footage of Palfrey's swim was sent to *APTN National* and *International*. Highlights included *CNN International*, the *Weather Channel*.

Madam Speaker, local television news, programmes across the United States also picked up the coverage and they have overall approximately 100 million total consumer impressions. *EspnW* is a popular blog—they have 17 million. *Espn.com* receives 17 million visitors each month. All of this coverage accumulates to approximately 211.4 million international consumer impressions.

Madam Speaker, that is a huge audience. We cannot pay for that kind of publicity. This is good. And the Department of Tourism, the Ministerial Council, Mr. Frankie Flowers and family . . . we have to say thanks to them and all the others that supported him, of course, supported Mr. Flowers. Great work! Good.

And they say that things are not happening, that we are not doing anything.

Additionally, Madam Speaker, the Department of Tourism worked diligently with local and international sports groups to ensure that the Government-sponsored event promoted the Cayman Islands brand and attracted audiences that were well aligned with our target market and demographic. I was proud to see the banners, and the flag, and the sails with Cayman's brand on them, Cayman Airways, Department of Tourism and different companies. I was proud! This is good for the country. Positive stuff!

As a result of this support, Madam Speaker, expectations in terms of benefits to the destination and the potential growth of this sector have been exceeded. For example, the NORCECA Volleyball Tournament was oversold for the first time ever. Madam Speaker, there are several people that are involved with that, but Noel Williams is the president. This is hard work. This is not something you can just pick up and do . . . but it was oversold for the first time ever.

Last year that tournament comprised 24 teams from 11 countries. And this year plans were made to accommodate 32 teams from 16 countries. However, Madam Speaker, the tournament surpassed that quota. And with a list of countries pleading to participate the organisations were granted permission by

NORCECA to stretch the limits even further to accommodate an unprecedented 38 teams.

Have you been down there, Madam Speaker? You should go, just to see the energy and feel the energy.

Madam Speaker, the visitors—these are people spending money, you know. They are renting cars, going into restaurants, shopping, [staying in the] hotels. You see, Madam Speaker, the Opposition has to kick up a fuss because there are good things happening, so they have to make it look bad. And so they carry on with all sorts of slander, accusations and everything else they can do to *blackgyaad* us.

Examples are what I am talking about, Madam Speaker. And last year's CARIFTA Games, which injected almost half a million dollars into the local economy in just three days (that is CARIFTA), are testimony to the fact that the Cayman Islands' reputation as a top quality sports tourism destination is growing! Additionally, Madam Speaker, they also highlight how the various sectors of the local economy benefit because all of the sportsmen and women and the officials and their friends and families who arrive here have to have accommodation, as I said. And they have to eat, they have to take taxis, they visit attractions, and the list goes on and on.

YouTube videos feature two young Caymanians, Mr. Luigi Moxam and Ms. Kamala Murugesu and will highlight our attractions, our people and places of interest in an entertaining and informative format. The goal of these videos is to provide new, fresh content about the Cayman Islands to excite new and returning visitors to our Islands.

What I see, Mr. Luigi Moxam trying to accomplish, Madam Speaker . . . that young man I think is good for these Islands. There's a clean character; very, very business minded. There are a number of things that he does to promote tourism and so does Ms. Kamala. This is positive and it is good.

Kenny Rankin with his sports "Jet Around" encourages people and people come for it. Here is another young Caymanian that is involved, pushing his business, doing things for tourism. This is what we have got to highlight.

I do not see their names in the paper often . . . I do not see them making the front page or any of the blogs. No. But this is good—very good—for this country.

Google TV, Madam Speaker. I have made reference to the Department of Tourism's ongoing reorganisation efforts to achieve results with limited resources. And I would like to highlight another great effort in this regard, and that is in the way we purchase our television advertising, particularly in the US market. For our television advertising the Department is now availing itself of *Google TV* ads, which is a form of buying television commercial inventory. However, Madam Speaker, this allows DoT to set its budget and maximum bids and select its target audi-

ence based on demographics, psychographics, or interest stemming from a wide range of household attributes including income, age, interests, marital status and children.

In the first quarter of this year the Department of Tourism used this service as a test of this emerging media buying platform. The goal was to purchase smaller niche networks that are known to be consumed by our target audience. The good news, Madam Speaker, is that *Google TV* campaign extended Cayman's presence beyond the traditional national cable buying of larger and more expensive networks. So we could reduce expenditure.

But from the week of January 14, 2011, to the week of February 7, 2011, Cayman secured 1,485 spots delivering 12.6 million impressions against adults in the 25 to 64 age group with a household income of over \$150,000. This is our target market. This is what we are doing to get business.

Madam Speaker, the spots aired on *AMC*, *BBC/America*, *Bloomberg*, *Cooking Channel*, *DIY Network*, *Fox Business News*, *HDNet*, *MGMHD*, *Planet Green*, the *Golf Channel*, the *Tennis Channel*, the *Weather Channel* and *Universal HD* networks.

Madam Speaker, they say we are not doing anything. You hear some of the experts out there saying, *Oh! Wrong things they have done for Cayman!* Tell the truth—whether you like it or not. Good things are happening, people are working, people are trying, the Department is trying.

I have to give credit to young Shomari Scott. Madam Speaker, I hope that the administration would see fit to promote him to the head of that Department, the Director, instead of having him acting, and acting, and acting. Madam Speaker, he puts in a lot of hours. I know this to be a fact. He spends them with me sometimes to keep me abreast of things. He has a young family as well.

I mean, we have to give these kinds of young people credit and put our confidence in them and boost them forward. Yes, I would have liked to have seen him get his master's. Well, he has not got it yet, maybe one of these days. But, certainly, he is doing the work! I know how that feels. Because you do not have a degree you cannot get it done, you cannot get a job. You have got to put away those old ideas! If he can do the work, give him the job. I have had to settle with that, Madam Speaker.

Madam Speaker, this approach is yet another example (what I have just said about the various news media) of the kind of strategic thinking and cost saving efforts that we are taking towards our tourism. The results since 2010 have demonstrated that our efforts are translating into improved numbers and new and positive appreciation for our tourism product.

We now have the very good news in terms of our tourism arrivals. Numbers are up to the end of April 2011. I am pleased to say, Madam Speaker, that our air arrivals numbered 124,646 compared to

115,196 at April 2010, which is a healthy 8.2 per cent increase year to date. Specifically, for the month of April 2011 we had an increase of 12.7 per cent in air arrivals over April 2010.

Madam Speaker, the picture is just as exciting for cruise tourism. Up to the end of April this year we had 657,477 cruise visitors compared to 632,000 at the end of April 2010—a 3.9 per cent increase year to date.

Madam Speaker, we are doing well. The Department is working hard. The Ministerial Council has performed. As I said there is a lot more work for them and for our Tourism Councillor. It is good, Madam Speaker. I do not have to take all of the load while I am the Minister. I am answerable in this House constitutionally, but it was an innovative to have the Ministerial Council set up, the one for Tourism that I am talking about, and the one with the fourth Member from George Town, who has also performed in the Housing, Madam Speaker.

These are good innovations because they are getting involved . . . sometimes there are frustrations. I know that Madam Speaker. They are human, and frustrations will come. But the fact is that they are working, trying to get something done, and we have to understand each other. That is what I said to my group, we have to understand each other, work with each other, because we are here to work for the good of the people.

Madam Speaker, there is one other issue on which the Leader of the Opposition said they would be relentless, and that is the Government borrowing which occurred last year. You see, Madam Speaker, they are hell-bent, as I said, in trying to make me look bad. So they get on the radios and they say enough things to cause people to think that something bad is going on, something wrong, and so they carry on: *Oh, we have it now—the goods. We can deal with it, we can expose him.* Well, let them go ahead. I know I have not done anything wrong, Madam Speaker.

He said that I rejected the advice of the experts in not borrowing the money from two local banks and instead opted for Cohen. Well, I explained all of the reasons why. This supposedly relentless pursuit of the matter gives the impression, though, that there is something fishy in the process. As I said, I had outlined that the Government wanted the loan to carry a limit on the maximum interest rate. And having promised such a limit, Cohen became the obvious choice.

Where I can save money for this country I must save it! They cannot tell me I must take unorthodox steps, Madam Speaker. And the number of things that they say—the Member for North Side, himself, having proposed unorthodox steps here in the Assembly—they cannot tell me that I cannot . . . on the one hand I must do these things, even if that is not the way they used to do them. As I said, unorthodox steps.

And then when I see something going wrong, and I see where we should be able to try and save money . . . that I should not do that, because somebody is going to point a finger at me and say, *You are crooked.* I do not care if they call me so or not. It hurts sometimes, but I do not care. I know my life.

I have to do what is right for the country. And I was trying to save millions of dollars in this.

This choice, Madam Speaker, implied that Government, as I said, would have saved several million dollars on the loan. But somehow the Opposition thought otherwise, and they are still in that frame of mind. A subsequent decision by Cohen not to offer the upper limit on the interest rate encouraged the Government to go elsewhere.

We said, *Look, you promised us this and you cannot fulfill it . . . so what do you want me to do, Opposition? Do you want me to stay there? No, that is not what we went there for. I did not go there for any reason to give anybody anything or to help myself in any shape or form. I went with a deal to save millions of dollars. And when they could not come up with it, I said, Bye-bye. I'm going somewhere else.* Then we had to go back to where we were with a different rate.

Now, trapped between a rock and a hard place, having suggested that there was some sinister move in the choice of Cohen, the Opposition is so ashamed that it cannot call off (what do they call it?) their relentless pursuit. It is therefore prepared now to chase shadows. Ha! Ha!

They said there was something wrong because they said I was going there to get money for myself, to get for the party, to get this and the next thing. And when the people could not perform—because it is big company, but they could not give us the rate that they said, Madam Speaker—we just did not do business with them. But, you see, as I said, now that we have moved away they are prepared to chase shadows in their relentless pursuit. I hope they get shaped up and pop them out.

Madam Speaker, one question has been asked about what this Budget has done for the ordinary man and woman on the street? So let me give the Member for East End, the Leader of the Opposition and, I believe, the Member from North Side, who said he did not find anything in this budget for Caymanians—

Moment of interruption—4.30 pm

The Speaker: Honourable Premier, we need a Motion to carry the business of House on beyond 4.30, if this is what we are going to do.

Suspension of Standing Order 10(2)

The Premier, Hon. W. McKeeva Bush: Madam Speaker, I propose to finish my speech this evening. I

move the suspension of Standing Order 10(2) in order for that to happen.

And then when I finish we are going to move into Finance Committee and probably go on until about 9.00 thereafter.

The Speaker: The question is that Standing Order 10(2) be suspended to allow the House to continue its business after the hour of 4.30.

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

Ayes.

The Speaker: The Ayes have it. The House will continue its business.

Agreed: Standing Order 10(2) suspended.

The Speaker: Honourable Premier, you may continue.

The Premier, Hon. W. McKeever Bush: Madam Speaker, thank you very much, and I thank the House.

Let me give this honourable House concrete examples of what this Government has done over the last two years—from May 2009 when it took office—for people.

In the area of Housing, Madam Speaker, the National Housing Development Trust processed and approved 179 applications under the Government programme. The value of the loan amounts approved for the 179 applicants totaled \$32 million. With the Government guaranteeing 35 per cent of the total loan amount, the value of the Government's guarantee on the loans amounts to \$11.3 million.

They say *nothing for people*, Madam Speaker? That is for people—179 applications, \$32 million spent, 35 per cent guaranteed by Government, and that amounts to some \$11.3 million. That's for people!

On waivers, the public finance section of the Minister of Finance, Tourism and Development and the Lands and Survey Department processed 1,113 requests for waivers and refunds of stamp duty, custom import duty and other Government fee waivers during the period 1 May 2009 to 8 June 2011. The value of the waivers that can be calculated total \$3.9 million for the period. These 1,113 requests for waivers comprised of:

- 675 first-time Caymanian property owners waivers with the value of the stamp duty waiving amounting to \$2.8 million;
- 56 import duty waivers with the value amounting to \$0.8 million (\$800,000);
- 67 waivers in the respect of the Landholding Companies (Share Transfer) Tax Law;

- 4 waivers of miscellaneous land and survey planning fee waivers with the value amounting to \$15,721;
- 45 stamp duty waivers under the discretion of the Minister of Finance with a value of \$113,800;
- 213 stamp duty waivers in respect of no change in beneficial ownership;
- 46 stamp duty waivers in respect of natural love and affection;
- 6 refunds in respect of struck-off companies with the value of refunds amounting to \$158,800;
- 1 waiver in respect of the environmental tax with a value of \$2,000.

Madam Speaker, they say we are not doing anything for people? Does this not amount to something for people? This is for Caymanians, this is for nobody else; this amount of waivers is for Caymanians—small Caymanian families. One hundred and seventy nine [applications] for housing . . . do you think that is for millionaires? No! And they say we are not doing anything for the poor man. Madam Speaker, for the second Member for George Town and the fourth Member for George Town working at it—179 applicants totaling \$33 million, and they say we are not trying to help poor Caymanians?

The trouble is . . . the problem is in this country, Madam Speaker, that only a few people write to the papers. Only a few go on the blogs and only a few go on the radio shows and on the television. The vast majority are not saying anything. But they know what is happening. That's what is happening! I know it, Madam Speaker. I put editors . . . I read the blogs and it is easy to tell that it is the same person writing several . . . ha, ha, ha! Easy! Professional editors know that. So when . . . I pay no attention, Madam Speaker. They can criticise me as much as they like.

But we are doing something for the people of these Islands. I have a social conscience. I got involved in government, Madam Speaker, because I did not see parks, I did not see sports facilities, I did not see pensions. I saw labour laws with people working for 50 years and when they went out the door they held their hand behind them—for 50 years—and they got a tap on the shoulder or maybe a Timex watch, if they were lucky.

I fought those battles! They called me communist. They called me socialist. But I put much of that legislation in place so that people in this country had a social life after work. The housing programme was not started until I started it. I will never forget the motion that was brought against me for starting it by the now first elected Member from George Town, the former Leader of the Opposition, again at that time saying that this was nefarious and because I had a real estate company I was going to benefit. They brought a motion against me!

[Inaudible interjection]

The Premier, Hon. W. McKeever Bush: They think I forget? Do you think that it has been easy for me as a Member? No, Madam Speaker.

It is because of where I come from. It is because of who I belong to. It is the side of the street that I walk on, why those people over there don't want to see me here, and some like them, throughout this country. They have no respect for me. I don't care about that because I don't sleep with them. I don't lie down with them. I don't stay in their yard with them. I can respect them, that that's their view. But don't think, Madam Speaker, that I am that stupid to believe that they like me. No, they don't.

I will never forget the battle I had with the Labour Law, and the late Jim Lawrence telling me, *Do you realise the battle that you have got on your hands my son? Let me show you a few things. First let me point out to you what the Bible says about the worker and his labour. One of the things that it says is that a man who does not take care of his family is worse than an infidel!*

And I fought the battle to win a seat because there was no football field when I was out there. When I was there, much less others, they were kicking stones and the Ballad on the field . . . do you know what a Ballad is, Madam Speaker? It is a wild Cayman bush . . . it was this big . . . one tree was that big.

I moved forward to build social development in this country. I was not a communist, I was not a socialist, but I felt that the young people who were getting pregnant in school deserved something else. They did not deserve to be kicked out altogether with nowhere else to go. So I put in the Young Parents Programme. I got cussed for that, for building the . . . or buying the Joyce Hilton Centre.

And you think it is any wonder to me today that I am surprised that they are still out there, Madam Speaker, checking on me, looking at what I do, calling the police, going to the Governor, going to the Auditor General, going to my Pastor, calling up my wife and telling her how many girlfriends I've got? Do you think it is any surprise to me? No!

I feel sometimes that I could cry. And perhaps sometimes I do, because I am human. But, Madam Speaker, I know who is who in these Islands. And I know that they don't want me here. And I know, because I did not come from the side of the street that some of them belong to. And I know because, my pigmentation is not the same. You think I do not know that the prejudice is here? I am 56, Madam Speaker, I am not 16. I know history.

I know history, Madam Speaker, and let me get to that as an aside. That is why I fought . . . I had to virtually fight to move the motion to get a new history because I was sick and tired about learning about the man with one eye in England—Lord Nelson. He was a good man. He did what he had to do. But I was

sick and tired of it. I wanted our children to know something about our history. And so I fought that battle too.

And you know what? There is still a lot left out. That is why now in this Budget there is room and we are going to start to do individual history. The first one is going to be a proper parliamentary [history] on parliamentarians, because they are going to cuss us to the day we die. And when we die they are going to bury us. And they are going to say in the obituary and at the funeral . . . they might sing my favourite hymns, they might. And for that I would be thankful. But they are going to say, *He was not such a bad fellow, you know.*

I do not believe in that, Madam Speaker. Let us write history for what has been done—the good and the bad. Let us write it. And so that is why I have called on the Speaker to head up that particular group. I think this is my job as nation builder. This is my job as nation builder. I am not going to get all the things that I want to get done, done. Madam Speaker, I am speaking not on the Budget [Address] now but on the Throne Speech. I am not going to get all the things that I want to see done in nation building. No. But I did get some things done. I got some things done that I am proud of.

So they can investigate, they can chastise, they can call up my wife and tell her all sorts of things, they can go ahead to the Governor, they can go ahead to the Commissioner of Police, they can go to the Auditor General, they can go all the places they want—my heart is pure in these regards, and my hands are clean. And I have performed, if I have got to say so myself. Get that out of the *Hansards*, whoever reads my obituary!

They have the nerve, Madam Speaker, of shouting about wanting statements and accounts. During the period of June 2009 to date, the Government tabled 93 annual reports and financial statements from ministries, portfolios and public authorities. And there are currently 18 annual reports and financial statements that are pending to be tabled in the Legislative Assembly. And the Member from Cayman Brac—pity he is not here this evening—talking now about not living up to openness and transparency and that this must not be good for good governance.

Well, let me ask him . . . I do not know where he is, I hope he is listening. Let me ask him, because he is privileged, let me ask him something: *How many statements did your Government do, Mr. First [Elected] Member from Cayman Brac? How many?*

Madam Speaker, when people say things don't they look in a glass? Don't they remember? Or do they think we are all so fool-fool that we do not know?

How many statements did their Government do? Guess, Madam Speaker. None! Nada! Not one single set of accounts in four years. And they come

now chastising us, pointing their fingers, making people believe there is some nefariousness going on.

Madam Speaker, this is the kind of stuff that really gets me hot. I do not care about Wendy Ledger writing about me. Let her have her fun. When I see her I will probably hug her up . . . now and then.

[Laughter]

The Premier, Hon. W. McKeeva Bush: Let them go ahead. That does not bother me. But these kinds of things bother me. This kind of talk in this House and behind the scenes and on the radio, to be so pious, to be so lily white, to come to point fingers—don't they have a background?

I wonder if they think that I don't do research and I don't do checks and find out what people are and what they do. Oh?

Madam Speaker, I do not operate unless I know something. You have to know who you are dealing with.

But it does hurt, Madam Speaker, when responsible people come to lay a case—as the [First Elected] Member from Cayman Brac did—talking about the Government's openness and transparency not being adhered to and good governance not being adhered to. Well, he is supposed to be the new Chairman of the Public Accounts Committee. We don't know yet, Madam Speaker, what is going to happen with all the accounts because there are a lot of accounts to be done.

But they don't have to believe, Madam Speaker, that I do not want to see the results of those accounts. Ha! Ha! I want to know where the \$69 million went. I want to know that. I want to know what was done, if everything that was said was done. The GOAP was done before we got there. I know what was done. All the contracts were given out to their friends and pals. I know that. Not a soul could get a squeeze in. Everything that was done was cooked, tied up, well packaged and put to them beautifully. Openness and transparency. *What a good boy I am, I did all this.*

And don't go near the schools, Madam Speaker, about openness and transparency. The dirtiest deals that have ever been done in this country have been carried on there. Did you not see, Madam Speaker, in the paper a couple of days ago that the previous Minister of Education and the contractor were fighting? Did you not see that?

The previous Minister had a right to complain. He had a right to complain. But why come and point fingers at us? Don't do that because it is not right. And bear in mind, he should look in the mirror every morning even if he does not want to shave. Look into the mirror.

How many statements? I wish the Member was here, Madam Speaker, so he could tell me. But I know because we tabled 93. None, none.

Madam Speaker, I am not sure what the \$3 million is that the [First Elected] Member for George Town, the former Leader of the Opposition, keeps referring to. Maybe he can advise the honourable House—the \$3 million that the Member mentioned in his speech.

There were specific requirements. This is my understanding, because I was not there, Madam Speaker. We were not privy to any of this. We were in the Opposition, out in oblivion and did not know what was going on. There were specific requirements for the currency division in CIMA, and these have not been met. This arm of CIMA will move into the building in July.

Madam Speaker, the final issue for them was that of independence, given the international climate and the issues which Cayman was dealing with and has been dealing with for the last three years. As the Minister of Finance, I backed them up—CIMA, that is. I did not feel that it was appropriate to have the Monetary Authority move into the Government building as it could create, and was creating, a perception of a lack of independence.

They say you do not have to worry where you are? Nonsense! Why is the DPP separated now from the Attorney General's Office? Why? They have every right to be. I support it. I support he being there and she being separate. I support that because we do not live for Cayman alone.

Let us get certain matters straight. We do not live in here with some blind or shade over this country. The international world, Madam Speaker, watches us daily. And the independence of the regulator is a key standard of the various international organisations' core principles. And as the Minister responsible for the financial services I had to support that, because I was not about to run the risk of causing yet another perception, which we would have to fight and try to explain and which could ultimately affect the jurisdiction's rating.

Which central bank in which country—because that is what the Monetary Authority is—is in the same essential government building? Which one? Which central bank? Because they are the regulator—all their units within them. I could not run, and I was not going to run, the risk of causing more bad perception which could ultimately affect the jurisdiction's ratings. This is what I was concerned about.

Madam Speaker, it is important for the country to understand that the space which was to be occupied by CIMA has been filled by other government departments. In terms of the future plans for CIMA this matter rests with the board of CIMA who, I am confident, will seek the Cabinet's approval where and when necessary. However, I understand that there are no plans to move CIMA now, or in the immediate future. And CIMA has, in fact, renewed their lease with Montpelier Properties. So this rumour, Madam

Speaker, is going around because the Leader of the Opposition asked me about it today.

Madam Speaker, there are several things that were wrong there. Two things, because it wasn't saving money, I can show that, for the cost of the space where we would be at the new building. My understanding from CIMA is that despite the many meetings and correspondences that CIMA was engaged in since the initial concept of GOAP, the required specifications were not being met. On numerous occasions they reiterated their size, their needs necessary for the productive functionality of space needed. But, unfortunately, it did not materialise.

Consequently the outfitting of the location does not meet CIMA's requirement of an appropriate functional environment. Most unfortunately this was only conveyed to CIMA at a very late stage.

Madam Speaker, the noise . . . it needs to pipe down.

The Speaker: I have to find the Serjeant to do that.

The Premier, Hon. W. McKeever Bush: Madam Speaker, the filing accommodations at the new premises are not adequately equipped to accommodate the filing requirements of CIMA.

In regard to CIMA's projected growth, which they were asked to provide through 2013, concerns of inadequate space to operate effectively in the future were there. [They] existed. The computer data centre had pre-action sprinkler systems, high pressure water pipes present in the computer room.

So, Madam Speaker, there were many concerns. And the Member who spoke about that does not need to ponder that, Madam Speaker. He must by now know the water problems that are faced there. He must by now know that, Madam Speaker. You cannot use their underground parking and get upstairs because of the leaks.

Madam Speaker, many concerns . . . I did not have an office. I think there was an office for the Minister of Tourism, but there was none for the Premier. They created a post of Premier. And the Premier's office? No office! And I hear, Madam Speaker, because calls have come through to me what the Government paid for my desk. The Government did not pay anything for McKeever's desk! I carried my own. I did not have a room to have a meeting in, so they gave me some space next to my office.

They were going to go throw away the old Executive Council table, Madam Speaker. That's history. And ever since they built that building, that's history they had in there. I said, *No! I want this*. They told me, *No, you can't have it*. I said, *You know what, who can stop me from putting it in my office?* I put it in my office.

And the chairs, the old chairs, and the very painting, the very pictures on the walls, are mine—mine, mine, mine. I brought them from home. My own

desk. They never gave me anything. They never had anything prepared for the office of the Premier. They created the post and there was nothing.

And I hear them saying, *Oh, you didn't want it but you wanted everything with it*. You give me a post, you put it in the Constitution. Madam Speaker, I must make it what it ought to be. And the next one that comes behind me will have a standard in the office so we now have to make sure that the office of the Premier exists. You cannot talk about the office of the Premier and you don't have any.

Some strange things there I can tell you. Better not carry a girlfriend in there and think you are going to get away with it.

[Laughter]

The Premier, Hon. W. McKeever Bush: Enough problems. And the Member knows that, Madam Speaker. He knows. He hears. He is more informed than me. I know how he acts. He is more informed than me up in that Glass House, or the new building.

You know . . . you good at that Bobo. Very good at it.

[Laughter and inaudible interjection]

The Premier, Hon. W. McKeever Bush: Madam Speaker, in regard to CIMA the estimated cost to CIMA for the GOAP, their rate of average, \$45 per square foot, they would have to be paying \$1,188,900 in that space. The current building that they rent averages \$29 per square foot, [and] costs them \$804,000. That is the difference in the rate.

Don't tell me that they are doing wrong. They are doing right on many fronts. The overall running cost for CIMA in the new building would cost CIMA an additional \$1.2 million just to be in there. An additional \$1.2 million! So do not tell me, Madam Speaker, that CIMA is not doing the right thing.

When the Fourth Elected Member for George Town raised those matters, wherever he was (here or on the radio show), he was absolutely correct in what he challenged and the Member for George Town tried to answer. He is absolutely correct in the high rent that we are forced to pay for the Monetary Authority. He is absolutely correct.

So, Member for George Town, don't think that you will not be answered anytime you make a query.

Any time he makes a query—that is, anything of worth—he will be challenged.

Madam Speaker, the First Elected Member for George Town also made the point about an article in today's *Caymanian Compass* on Government's 2011/12 Budget, [that it] contained matters that should be addressed, he claimed. The writer of the article that appears in today's *Compass* makes the terrible mistake of trying to suggest that there has been some switch or change in the way the results of Govern-

ment, and that of the entire public sector, have been stated—financial results, that is. That is not the case, Madam Speaker.

The results of central government have always been commented upon separately from that of statutory authorities and government owned companies. And we have always concluded with the results of the entire public service sector. This 2011/12 Budget is no different—none.

Madam Speaker, on page 305 of the Annual Plan and Estimates document, the very last line on the page, we see net surplus of \$3.679 million. Madam Speaker, this is the budgeted surplus of the entire public sector for the 2011/12 year. On that same page, on the fourth line from the bottom of the page, we see Loss on Statutory Authorities and Government Companies, with an associated loss figure of \$8.4 million. We have consistently shown this matter as a separate line in the Budget documents since the new budgeting system was put into effect. And the 2011/12 year—this budget—is no different.

By deduction, Madam Speaker, if the entire public sector has a surplus for 2011/12 of \$3.6 million, as shown on page 305 of the AP&E, and that same page also shows loss on statutory authorities and government companies, with an associated loss figure of \$8.4 million, then this means that the surplus of central government itself must be \$12.1 million—which we say \$12.1 million in my Budget Address. That is the deduction.

Central government surplus of \$12.084 million for the 2011/12 year, when combined with the net loss of activities from statutory authorities and government owned companies of \$8.4 million gives an entire public sector surplus of \$3.679 million that is shown in the AP&E document on page 305.

The writer of the article is incorrect. There has been consistency with the presentation and results for the 2011/12 year against the way in which previous budgets have been presented. That line—the wording that was there before of core government results (that wording used to be there) is not there now. But when you do the extrapolations, or when you do the deductions, as I have said previously, the result is as I have said in the Budget. What was he speaking about then?

[Inaudible interjection]

The Premier, Hon. W. McKeever Bush: Why did you not clarify it then, Bobo?

[Inaudible interjection]

The Premier, Hon. W. McKeever Bush: But you agree that what I am saying is right, though?

An Hon. Member: No!

The Premier, Hon. W. McKeever Bush: I know you know. And I know you should have said that the Government was right, but you preferred . . . the Member preferred to pick up the article, lay it out there (this is not Tru-Tru) and the whole world reads and sees what is in the *Caymanian Compass* this day, today. And what will happen? They will misread it and they will say it was wrong.

But when the Member gets up . . . as a responsible Member of this honourable House he should say, *No, this writer is wrong.*

[Inaudible interjection]

The Premier, Hon. W. McKeever Bush: No, the Member never did that, Madam Speaker. No, Madam Speaker, the Member is not going to do that. Do you know why? The Member does not want to have any fuss with anybody. He wants to do what he is doing right now—aggravating me!

[Laughter and inaudible interjections]

The Premier, Hon. W. McKeever Bush: Ha, ha!

Humph.

He could have corrected it, but he did not. Oh, yeah.

Madam Speaker, much comment has been made about the unfunded past service liability figure and matters connected therewith. The current figure for the unfunded past service pension . . . you all called more investigations than him.

The current figure for the unfunded past service pension liability of \$178.9 million first appeared in the Government's 2007/08 Annual Plan and Estimates document. That was the first time it appeared there. This figure came from the 2005 valuation which was actually determined as at the first of January 2005.

The requirement under the Law is for a valuation to be carried out every three years. This means, Madam Speaker, since then the figure would have only been revised once with an effective date in 2008.

Madam Speaker, whilst the figure of \$179.9 *[sic]* million was produced from 2005, it did not appear in previous budgets from the 2005/06 year, nor did it appear in the 2006/07 fiscal year, it was not until the 2007/08 fiscal year that the figure was actually updated.

The 2011 valuation is currently underway and Cabinet expects to be presented with that figure in approximately four months' time—around October 2011. Therefore, the most current past service pension liability figure that will be established from the completion of this 2011 valuation will be shown in the next budget (that is, the 2012/13 Budget) when it is presented to the Legislative Assembly. Likely it will be in May or June next year, God willing. And the results of the 2011 actuarial valuation will be made available to the House after its expected completion in October

2011 and before the timing of the next budget—the 2012/13 Budget, in May or June 2012.

As I said, Madam Speaker, one of the queries raised by the Member was whether the \$1.9 million past service liability payment proposed in the 2011 budget was included as part of the expenses section of the 2011/12 Budget.

Madam Speaker, on page 305 of the Annual Plan and Estimates we see that personnel costs are shown as \$228.3 million. We also see that personnel costs are cross-referenced to note 19 on page 329 of the AP&E document. And in that note we see that there is a total figure of \$12.234 million that is described as pension. This total figure of \$12.234 million is made up of the employer's, or government's, current pension contribution, and a contribution to the past service pension liability. And this latter figure is \$1.9 million.

There is no doubt, Madam Speaker, that the contribution that Government makes to past service liability is included in the expenditure figures for the 2011/12 Budget. It is there. And I believe the Member knew that, too.

[Inaudible interjection]

The Premier, Hon. W. McKeever Bush: Oh, he did not know?

Okay, but you know now. It is there.

So, Madam Speaker, as I said this morning, no, we are not in a position to put as much away as we would want to on that. But they should not preach to me. I was a part of the Executive Council or Cabinet that put that in place—me, Truman Bodden, Kirkland Nixon, the now Deputy Governor, I think our Financial Secretary . . . No. But the previous Financial Secretary, Mr. McCarthy, was there. And we met in that committee room first before we took it to the Executive Council. We realised we had to do something about the past service liability.

There might have been other people involved, but I understand quite well that nobody wants to do anything, but the current financial situation does not leave Government to do any more than that. And when you have a booming economy—as the last Government did for so many years . . . they could afford to put away something. They should have put away more! They should have put more in there instead of building roads and coming and telling me that I did not build roads so they had to build roads.

Madam Speaker, you hear much . . . I heard much about crime. And the Member for North Side said that crime is unreported to the police because they have no confidence in the police. I don't know that, Madam Speaker. But if that is so I would urge all members of the public, if they know something, [to] tell the police. The police cannot do it by themselves unless the general public joins in and tells people.

I often say this, Madam Speaker, that those people who are burglarising the place with guns and everything else . . . they live somewhere, Madam Speaker. They live somewhere and somebody knows something about them. Somebody knows who it is, and they are condoning it by not reporting it. But, Madam Speaker, when they say that we need to do more, I can only do so much as an elected person. We can only do so much, and they know that. They know that.

Madam Speaker, I got an update from the Portfolio of Internal and External Affairs and a lot has been done in this country since 2009 to help to keep crime down and to ensure the security of our developing country. Madam Speaker, crime is down. They can say what they like, but it is down. Crime is down 9 per cent. Over last year crime is down 13 per cent. Burglary is down 15.4 per cent with 95 less victims. Attempted murder is down by 67 per cent with 12 less victims. Murder is down by 80 per cent with 8 less victims. Madam Speaker, a lot has been done. Still we have the situation—which is not unique to us. All of the territories are feeling that today.

Since May of 2009 they said a number of initiatives and projects of note have been completed or are near completion. There have been three successfully completed recruit classes. Twenty-three out of the 40 were Caymanians. We are not hearing that, we are hearing something else.

The Cayman Brac police stations were rebuilt after receiving extensive damage during hurricane Paloma. This is since 2009. And the imminent completion of the DTF base is expected later this year. We increased the Force already since we have been there. And we have an increase in this year's budget again. So don't say that we are not doing something about what we have been asked. Not all of it—we cannot. But we are making a valiant effort.

I want to take some time to give some information about the Department of Community Rehabilitation, and that is for reducing substance abuse. That department continues to place significant focus on the supervision and rehabilitation of adult offenders who are placed on community based orders and/or parole licences.

With established offices in Grand Cayman and Cayman Brac the DCR provides various services based on need which includes, but is not limited to, presentencing and pre-release reports to the courts and parole boards, supervision of persons in the community and court orders of parole licences—that is drug treatment, court services, community services, probation services; provisions of through and after care services; rehabilitative educational programmes in the community, such as domestic violence specific for the perpetrator, anger management (I think I am going to have them send it to you); health relationships, parole support; and—

[ongoing inaudible interjections]

The Premier, Hon. W. McKeever Bush: Yes, but you said enough . . . and pre-release presentations.

Madam Speaker, other areas that the Portfolio has been working on is the Mental Health Court Supervision Pilot programme. And this programme has proven to be effective to date, allowing for a collaborative approach among key agencies such as the DCR, the courts, the Mental Health Unit, to provide community intervention and supervision to persons with mental health problems who have involved themselves in criminal activities.

With the Mental Health Law, Madam Speaker, in the process of being reviewed it is anticipated that this pilot programme will in the near future become an established programme and court supported by law. To date DCR is supervising approximately 35 persons in the community with mental health needs who have involved themselves in [offending] behaviours.

Madam Speaker, just this morning I heard a discussion on that which probably led to people believing that there was nothing going on. But there is a lot being done. And the problem with this Government is that we are not getting out there and saying that it is being done and showing that it is being done. And so all you hear are those who row on the radio, on the blogs and on TV and in the papers—that is all.

And so, Madam Speaker, that is why I said a government TV channel has to be put in place. It must be put in place to showcase the things that are being done in this country and tell the people the truth without blowing it up and twisting it around. They say so sometimes, but the way that it is written or the way that it is said is so stretched, or so convoluted, that nobody understands what is really being done, because it usually ends up in some argument saying that nothing was done.

The Alternative Sentencing Law, Madam Speaker, DCR played a role with the implementation of the first phase of the Alternative Sentencing Law. This new initiative is intended to offer more options for suitable community based supervision and intervention which will in turn help address the overcrowding in the prison. DCR is now moving towards the final stages of implementation for new services—intensive day supervision services, rehabilitative groups in the prison, re-entry services for persons in the prison, which will allow for persons in the prison to have a probation officer assigned to them at the point of sentencing to provide early intervention and preparation for release. Madam Speaker, a lot is being done—even in the prison itself.

Her Majesty's Prison Service continues to face challenges, we recognise, not the least of which is persistent overcrowding running at an average of 20 per cent. I think the court sentencing law will hopefully help us with that, so they do not send you to prison for every little thing. But, Madam Speaker, they have ab-

sorbed this within existing staff and financial resources. Also, despite overcrowding and the additional demands that brings, educational and group work programmes continue to be well attended. And the safety record now of prisons for both staff and officers is good. There have been no real incidents of serious violence in the past two years.

A number of initiatives have been completed since May 2009 that have increased the security and rehabilitative services of the prison. They are:

- The Prison Law was amended to create an offence for anyone smuggling or attempting to smuggle contraband into the prison.
- The Prison CCTV system has been upgraded with additional cameras and recording equipment.
- The Prison Service continues to offer programmes geared toward rehabilitation. The department saw a surge in the number of prisoners entering the educational programme to prepare themselves for external examinations, and a number of prisoners sat and passed the City & Guilds exams that the service offers to the prisoners.
- The construction of the vocational training area is almost completed. Money was spent on that, Madam Speaker. Already some \$414,000 has been spent on it. That building commenced construction in July 2008 and will be fully completed with a security fence erected by late this year.
- A number of prisoners participated in rehabilitative courses offered by the Prison Department including Constructs, which, Madam Speaker, involves the teaching and practicing of a problem-solving strategy, social skills and development of a relapse prevention plan; job market programmes; drug education programmes and sex offender treatment programmes. There is nil cost for this as all the training is provided in house. The courses are offered on a continuous basis and this commenced some years back.
- In order to increase self-sufficiency the Prison introduced goat rearing and fish farming—and this is paying for itself and is providing food for the prisoners.

Madam Speaker, how come we are not hearing about any of these things? There is nothing on the blogs, nothing on the television, nothing in the papers. Why? Why are we not hearing about it? No. They are paying too much attention trying to kill me. They will have to wait!

- The construction of a link centre which houses education, clinic and facilities for group sessions, Madam Speaker. The construction commenced . . . I think it was 2008 and was completed in April last year. The total cost for

the building was a\$131,500. And all construction of this building was completed in house.

- The construction and completion of a visitor's centre commenced in February 2009 and was completed in August 2009.
- In June 2011 the Portfolio partnered with the Institute of Criminology, the University of Cambridge, to conduct inmate and prison officer surveys, which have been standardised and used widely in prisons in England and Wales to measure the quality of life for both prisoners and staff within the prison.

It has been established that in order for rehabilitative programmes to be effective there must be trust, respect, and safety within the environment. And, Madam Speaker, these are ways to provide baseline data that can be used to address any deficiencies in these critical areas and continue to build on what is already being done well.

Madam Speaker, in April this year proposals were solicited for an independent assessment of the rehabilitation needs throughout the continuum from the prison through to the community. And the successful applicant should be selected shortly with a view to beginning this assessment before the end of June of this year.

This goal is to involve all stakeholders including clients, service providers, family members, et cetera, and utilise their feedback and other research to develop a strategic plan for rehabilitation with an underpinning implementation plan that all stakeholders will agree to. And this will maximise resources, Madam Speaker, and it will foster inter-agency collaboration and increase the effectiveness of the interventions in order to reduce crime and recidivism.

Madam Speaker, much has been done on the Immigration front, but I think I have said enough to show that the Portfolio of Internal and External Affairs which we now depend on for the Prison, the Police and Immigration, has done a lot of work since 2009. And we have been part of that.

So when you talk about what has been done, and that nothing has been done to curtail crime, from a governmental point of view . . . from that aspect, a lot has been done. Even within the Police that really attack crime where it is at, Madam Speaker, plenty has been done. The problem they are facing is that we do have unemployment and some of those rascals are creating a fuss. And, as I said, I hope that what the Member from North Side said is not so because that means that people know something but they are not telling the Police.

I keep saying those people that are terrorising this country . . . somebody knows what they are doing. And I am not going to say that they should not tell the police. And I hope that no Member in this House really is that crazy, because there ought to be somebody somewhere that you hold confidence in to go and

make a complaint and tell them that, *So-and-so has money, but is not working; comes in this late, this happened, this place was robbed, he now comes in here rushing in here late after that . . .* all these different things somebody knows. Somebody knows. And the country cannot do anything about it if the Police do not know what is going on and have the information in their hands. And we—all of us—should be about that business of encouraging our people to tell the Police, tell somebody what they know.

I was criticised on a radio show when I said there are some young punks who are terrorising us. Madam Speaker, the only way this could be taken out of context is by somebody who has a sick mind. But what I am saying is that those people . . . I mean you would know that when some of them get caught they are younger people. They are not good people if they are doing this sort of thing. So what are they?

Can you glamorise them? Must I glamorise them and say what a good bunch of fellows they are? *They went last night and held up So-and-so's house, they terrorised McKeeva Bush . . . they terrorised Kurt Tibbetts. Oh, they went and tried to dig a hole and get into the bank. What a bunch of nice guys they are. You see how they are watching television? Boy, that's good.* Should I say that? No! They have got a gun to shoot in the air. Must I glamorise that? And when you get on the radio and you say the things you say, Madam Speaker, what else are you doing? You are encouraging those fellows to be doing the wrong thing.

No! You should be helping to put the fear of God into their hearts . . . offer prayer, too, pastor. Offer prayer, too. But prayer without works, as we know, does not go anywhere.

Our duty if we know something is to say to our people out there, *No, your grandson has done wrong.* Do not cuss McKeeva Bush in your house, do not cuss the Commissioner of Police, do not cuss the Governor, do not cuss the elected Representative. No, this is not right! We are not going to cure the problem. So I hope that what the Member from North Side said is not right.

Madam Speaker, I need to finish my speech, because I know people are waiting to start Finance Committee, and I should soon be finished. Madam Speaker, perhaps the biggest surprise in the speech of the Leader of the Opposition was his call for the rollover policy to be abandoned. Ha, ha! And I had to listen with some awe . . . and I said, *Wait! What is this man saying?*

Madam Speaker, the biblical story of Saul's conversion to Paul on the road to Damascus is certainly not unique to Damascus. The change of the Leader of the Opposition is equally as dramatic, though for completely different reasons. And he could not go through that exercise without saying the UDP put that in place. Oh yeah? Well, he did not tell how the UDP came to put it in place.

In the 2006 debate on the Immigration Bill the then second elected Member for George Town and the Minister of Education (now the Leader of the Opposition) said, **“The rollover policy is here to stay, certainly as long as we are in Government.”** [2006 *Official Hansard Report*, page 596]

The attitude of the now Opposition to immigration policy seems to be changing which may very well reflect the politics of the situation rather than the economics and the sociology of it. There is no doubt that the focus on the timing of the next election has influenced the more flexible view of the Opposition on this matter—a matter which is perceived to be of influence in the election outcome.

In the same 2006 debate on the Immigration Bill when the PPM was under pressure on the rollover policy by certain writers, they called the names (I am not going to call them) of letters in the press. The current Opposition Leader made it clear that the policy was introduced by the then Honourable Leader of the Opposition—me. He said that then and he said so again yesterday—blaming me.

He argued for the retention of the rollover policy as identified in the following, and I quote: **“But if we do not have something like the rollover policy, if we continue down the road that every one of those 24,000 people who are on work permits are entitled in the long run to the right to be Caymanian, in a very short time—as short as five years—the political control will vest in that demographic group.”** [Ibid]

Madam Speaker, it is almost now five years later, and perhaps the Opposition Leader has come to the view that that demographic group does have some political control. And this perceived control may very well be responsible for the Opposition Leader’s conversion—like Saul, to Paul.

Did you hear what he said? Let me repeat it, **“But if we do not have something like the rollover policy, if we continue down the road that every one of those 24,000 people who are on work permits are entitled in the long run to the right to be Caymanian, in a very short time—as short as five years—the political control will vest in that demographic group.”**

Ha, ha!

What did he say the other day, Madam Speaker? What did he say? Is it any wonder then, Madam Speaker, that that man at the Prayer Breakfast who, when he was saying about Jamaicans and Filipinos and wanting to see unity in the country and nobody talking about them again—is it any wonder that that man said, “But stop. Is it not him that started it?” No wonder—not to me, I know the history. But people know. People know. What was their campaign? “Take Cayman back.” Ha, ha, ha.

Madam Speaker, from 1998 in the Vision 2008 discussions, and even before a rollover was recommended, this was discussed by the country be-

cause there was no other view for an alternative because they said no civilised country keeps people in indentured servitude forever. At some point persons living in our country will have rights of some kind and they will have rights here in the country whether the UK forces us to or not. It is just what civilised societies do.

So to go back . . . in 1998 the Cayman Islands asked the public what their vision was in 10 years’ time. The Immigration Unit, which comprised of both expatriates and Caymanians alike, recommended a five- to seven-year rollover policy. The Leader of the Opposition now . . . he never said that . . . I do not know if he did. I better not say he did not say so, but I do not recall him saying so.

But the [current] Leader of the Opposition was a Member of that IRT (Immigration Review Team), not me. I was not a member. The members were Sherri Bodden-Cowan, Patrick Schmidt, Rolston Anglin, Orrett Connor, Mrs. S. Frederick-Westerborg, Mr. Alden McLaughlin MLA, Mr. Gilbert McLean MLA . . . that was in 2001, I think; and in 2002 Mr. Gilbert McLean moved to the Cabinet so he was no longer a member.

But, Madam Speaker, the Minutes show the term limit policy. The maximum length of time that a person would be allowed to be continuously resident in the Islands on a work permit was 10 years. And we know how they got to that. As a general rule work permits would be subject to a term limit of seven years. If the employer, or work permit holder, is able to demonstrate an exceptional circumstance or a clear and genuine need, the board may extend the work permit for the further two years.

So, Madam Speaker, they are still about blaming me. And I will get to that point. They do it effectively. They had people call the radio up to this morning, *Oh, it was that McKeeva Bush who was leading the UDP that did that.* Ha, ha, ha.

Madam Speaker, he was a member—not me.

But this is a break . . . this seven year policy is a break in stay after five to seven years. This was part of an overall plan recommended for the future progress of Cayman by the IRT, with the Leader of the Opposition as a member. At the time no one could hope to become Caymanian because there was in place a moratorium on any grants of Caymanian status. There was a moratorium.

And let us put some facts forward here. When the Grand Court ruled that that moratorium was illegal, there were more than 6,000 residents here who had been residing in the Islands for over 10 years. The then Leader of Government Business (now the first Member from George Town), my friend, said that there were over 16,000 people that needed to be put right. That is his quote in the *Hansards*. He was Leader of Government Business then.

Whether you like it or not, a person who has been a resident in our country for 10 years or more

will be entitled to the rights of residence, citizenship and status. And this led to the first Immigration Team being appointed by the then Leader of Government Business (the now first elected Member from George Town). And the members of that team were bipartisan and worked together drawing on many factors including statistics, the experience of other countries in similar situations to us, and so on.

The reports, Madam Speaker, that we saw were well reasoned. These reports concluded that for the long-term success of the Cayman Islands there was no other alternative than to introduce a fixed-term policy combined with a policy of progressive rights. This policy had been successfully implemented except when the PPM made it completely unworkable. They changed the Immigration Law.

During their time they made key employee applications un-appealable. In fact, they campaigned that key employees should not be part of the law. They wanted everyone to be subject to the rollover after seven years of residence.

So now they want to abandon the whole policy that they recommended. Why?

I think I have shown why.

In conclusion on this part, the UDP put forward that policy because we expected, Madam Speaker, that people would have been getting permanent residency, would have been moving up the ladder for permanent residency. But I hear it spouted in this country that it is only a certain category of people—rich people—that get permanent residency.

And, Madam Speaker, I have made it possible (and when I say “I have”, the Government has, made it possible) for the wealthy people for certain certificates. That is good for investment and so on. But I am talking about the one person who buys that little piece of land and can move up and get permanent residence. That is what was supposed to happen. And that did not happen and it is not happening now.

And personally, Madam Speaker, that is not my cup of tea. Don't tell me that if we are building this country, Madam Speaker, then what . . . tell me this: My children and your children . . . who is going to take care and clean our parents? Us? Them?

Who is going to cut the grass? Us? Our children?

Who is going to be the fixer of roads? Us? Our children? No, Madam Speaker.

Who is going to be the real blue collar worker in this country? Our children? No, that is not what we are doing. We are educating our children to get the better jobs. That is what we are doing.

So there must be some room for a certain sector or section of people that will do that—that will clean the old people, that will bathe them and keep them nice. There has to be that section of people, Madam Speaker, that will work in the Social Services Department and in the rest homes and so on.

It must be the person that I can get to take care of my mother now who is in a wheelchair, Madam Speaker. I do not have time to do the things I need to do for her. I don't. And she is in a wheelchair, past 85 and going the other way and not remembering that I came and looked for her this morning and telling me that I came and looked for her six months ago. And so you understand some of the problems that I face.

So, who is going to look after these kinds of people? I have got to go out and make the money so I can pay her bills. And I dare say that there are many, many people like me in these Islands. Though we fixed some of that by doing the certificates . . . I think the Fourth Elected Member for George Town referred to them in his debate. So I will not go through them at this time. But, Madam Speaker, I am not believing that we should just turn people out, out, out, out—as the “out policy” was of the PPM—because that is what it was to them—all out. That has changed now, according to the Leader of the Opposition.

But, because I say that we have people that we know . . . and I would rather keep them for some time than to get people that I do not know to put in my yard, to put with my mother, to cut the yard, to plant in the agricultural sector. Our people . . . we are not educating our children to do that. We are not expecting that everyone is going to be an accountant or a lawyer, and so there will be some that could be doing some of the blue collar work—but not all of them. We aspire for more.

So that is my argument. We have to pay attention to those matters—not only with the wealthy, but the carpenter, too. Maybe there is no Caymanian carpenter. Do you have one? He buys a house, a piece of land. So he is looking for security, wanting to add to the country. Are you going to turn him loose?

So is a gardener who worked many, many years, or a mechanic over many, many years. So what are you going to do? Madam Speaker, I said you cannot build a country like that. You cannot build a country like that, and I do not believe in it.

But on the flip-flopping of the Leader of the Opposition . . . I remember some of his rhetoric, and I want to ask him. According to him now, who is betting on the future of our kids? Is it McKeeva? Not according to his own pronouncements. Mr. Leader of the Opposition, where will your own kids be if you abandon the term limits, according to your own warning, your own pronouncements?

You see, Madam Speaker? I will never forget that meeting that was held out on the court steps and how they berated me and how they accused me of being on the take with the giving of status and moving on to permanent residency. I will never forget how they scandalised my name—and they still do it. But according to him now . . . and he said that I was selling his children's future. I hope he sees what rhetoric he was spouting at that time. I hope he sees it, because that was what he was saying, Madam Speaker.

Madam Speaker, I hope that he is not saying that he is abandoning his kids for political expediency, because that is what he said that I was doing when I was trying to make people permanent here, having people here for 50 years, 40 years, 25 years without any kind of status. I hope that the Member for George Town, the Third [Elected] Member, now the Leader of the Opposition, understands the damage that he did. Plus, I hope he never forgets, and this country never forgets, the front page articles "Caymanians don't like foreigners."

"Alden McLaughlin, the Leader of the Opposition" . . . I am quoting a newspaper, Madam Speaker. That was the front page! I hope he understands the damage that he did then to help to try to destroy me and the then Government and the then Opposition as I was at that time when he said that.

Madam Speaker, I am just about winding up. The *Hansards* of this House have recorded for all to see the Budget Debates when the previous Administration ran the Government. I warned on several occasions that the economic and immigration policies would have devastating effects on our economy and on our people. Unfortunately, none of these warnings were taken seriously. And when our Government came to power we faced massive deficits, numerous companies who were doing business in the financial industry and creating employment and economic activity had either relocated a large portion of their business previously done in Cayman to other countries—for example, Canada—or were in the process of so doing.

This had a very negative effect not only on employment of our people, but on the ability of many of our people who had developed their own business to survive.

After coming into power, on behalf of the Government I had to spend a considerable amount of time sorting out various aspects of the financial industry and flying around the world in order to finalise agreements which were required by the OECD to remove our financial industry from lists which were further affecting business.

Our economy was slowing. The ability of the Government to maintain our Civil Service, our schools, our medical systems, our roads, the wellbeing of our children and that of our people was in jeopardy. And together with these problems the world has experienced a serious, serious recession.

Over the last two years, Madam Speaker, our Government has made extraordinary efforts to try and solve these problems, start infrastructure projects, and to try and balance the Budget as planned and agreed with the Foreign and Commonwealth Office. This necessitated several trips abroad as most business in Cayman is generated from persons outside of the country, Madam Speaker. Despite these efforts we still face economic problems and a declining economy.

There are many among us who continually criticise in the worst ways possible all efforts which are being made to revive business and to create jobs for our people. The continual criticism, Madam Speaker, continues to affect our economy and our people—many of whom are finding it difficult for their businesses to survive, to pay their mortgage and their children's school fees. These persons do not appear to be interested in the people of the Cayman Islands and have no viable alternative for creating employment and economic activity—none. With all the talk that went on here in the past week, I never heard one thing come across that said this will raise revenue and pay civil servants, or pay pensioners, or pay for schools, or create jobs. Not one single idea, Madam Speaker.

In addition to criticising all projects and everyone connected, and attacking developers and foreign nationals on the radio and elsewhere, they have now turned to attacking me in the hope that they will be able to become the premier and implement policies of economic destruction and devastation on our people. They make statements without knowing the full facts and circumstances, spread rumours, make moves that are hoped to destroy me politically and, thus, the Government. And, Madam Speaker, these are not helping the rebuilding of our economy and finding jobs for our people.

Madam Speaker, I just received news that a demonstration is being planned. A number of things they say, of course, under the banner of concerned citizens from Members of this House—PP[M] Opposition and the Independent Member. What they say is "East End Mega Quarry; Corruption; the North Sound Dredging; and the planned closure of the West Bay Road."

Yes. Madam Speaker, it does not surprise me. I had expected this. They have been planning this long enough.

But this will not help our people, Madam Speaker. This is what I have been speaking to for the last couple of minutes. This will not help our people because you will not turn this Government out. They will not. I am not going to buckle under pressure from that band. If they want to demonstrate, let them go ahead, but I will not buckle under that kind of pressure.

You can make all the accusations, produce anything, say anything, go anywhere, tell people anything, talk about West Bay Road closure, when it is only a portion; talk about the North Sound Channel, when that is off the table and not happening; talk about East End Mega Quarry—go ahead. There will be another opportunity in five or six years down the road for them to come back and do the flip-flopping that the Member from George Town, the current Leader of the Opposition, now has to do. Mark my words.

Madam Speaker, you heard the names I read out. I have not forgotten. I am old enough to remember when Berkley Bush built the dock—he was a criminal, he was a crook. I remember when he built this Assembly, the Government was the same. I remember when they built the roads—they were crooked, they were on the take. So they marched against them when they built the courts . . . when they built the Glass House . . . they marched against them.

Madam Speaker, when they built the airport, I said perhaps we don't need such a big airport. And look at where we are now, eight years away, knowing that if we spent \$100 million it would still not be able to be in current use. Madam Speaker, I say to the people of this country, those within my earshot. You can listen. But I hope they do not join that group because they have no solutions outside [of] making speculation and giving wrong information. They would not even wait until they can get correct information. They are just speculating.

What they know, Madam Speaker, is that this Government has put in place motions that are going to make this economy take off. And so what they have to do now is an all-out push to try to stop us. They will not because the nine people on this side are my backbone. And if they think that they are going to run us out of Government with their speculation, their accusation and their noise out there, they can go ahead and march until the fowls cut teeth. And they will not be acknowledged by McKeeva Bush.

Our people are not having jobs, not finding jobs. What we are doing, Madam Speaker, is trying to get this economy turned around. And we cannot do it alone. Government does not have the money. And you have to give something to get something, Madam Speaker.

I see in the United States governors of states calling up huge companies and saying, *Come and invest here and we will give you a \$800 million tax write-off for you to relocate your company here because you are going to create 800 jobs.* People who are here, the few people . . . let's call them Dart. Jamaica is enticing them; the Bahamas is enticing them, other countries. Bermuda is enticing them. Other countries want them and we are here *blackgyaading* them and trying to run them away.

We can demonstrate, we can march. That's going to fix McKeeva Bush . . . You will not fix me. They will not fix me, Madam Speaker, because here and now my resolve is built even more. You will get what you are looking for, but not what you think it is going to be.

Our Immigration policies need to be re-examined in order to encourage business people to relocate to Cayman, create jobs and economic activity and to revive our economy. The financial industry of Singapore, Madam Speaker, has grown 25 per cent during the economic crisis and continues to grow. This is not an accident. It has been possible by policies

which encourage banks, mutual funds and other financial service industry providers to relocate to that country. The staff that they need creates jobs for Singaporeans. That is what Singaporeans are doing. That is the policy. They invite people in so that those people create jobs for Singaporeans. Look and see. These are not lies, this is what is happening.

Their immigration systems are efficient and encouraging to foreign businesses. And unless we adopt these types of policies, despite our successful efforts to encourage significant infrastructure projects Cayman will continue to have a difficult time in creating jobs and a future for our children. And now they are going to march on things that we are not even doing. So what are they marching for? I am not even going to watch it on television . . . They watched it on television that is why they are doing this.

Madam Speaker, I hope that Caymanians will not run scared about the rollover policy or march. But that they will see that Government is working hard—no matter what they say—that we are working hard to put the benefits together for them.

In closing, Madam Speaker (quite a long closing too), the problems of humanity are never entirely new. This is, strangely, most clear to us in tough times. Some of what we now face has been faced by some of our neighbours. The Commonwealth of the Bahamas has been faced with the challenge of how to get the most and the best from the development prospects presented to them under Sir Lynden Pindling. They had the good fortune to find in him the leadership and the vision that helped them aspire to achieve great successes.

Some examples of Sr. Lynden Pindling's vision come through his own words. And they are words we would all benefit from hearing, I believe, as we try to carve out our own vision of the Cayman Islands. He once spoke, linking self-discipline and development in a way that is very pertinent, given the nature of our present budgetary situation and what it suggests for the nearer term.

I shall use some quotes from that speech beginning with the following: **"If we are prepared to accept self-discipline, we have the capacity to be self-reliant. If we can accept self-reliance, we have attained the correct mental attitude to discuss 'Progress.' In order for there to be progress there must be development. And in order for development to be orderly and provide the maximum benefit for the maximum number of people, it is necessary for us to have a clear understanding of and a solid appreciation for a sound philosophy of development."**

Such a philosophy, Madam Speaker, requires clarity of analysis and a firm grasp of priorities. Otherwise we will muddle off false enticements of political independence, let's say, with the profound necessities of economic independence. Otherwise we will also tend to get the ideological cart before that pragmatic

horse. Even when we focus on the values of the economy, we will fail to establish sustainability of economic strength as the essential that it must be. And fail to define the content of sustainability in terms of maximising of the benefits to our own people.

This Government is adamant in our position that we welcome investment, we welcome private sector partnership. But that does not and must not mean that we are for sale. We are not—not my party, not the Cayman Islands, not my people's best interests.

The profit motive, to paraphrase Sir Lynden Pindling, must not grow to dominate in our society or our economy without the fulsome inspiration of a social conscience. The model we desire requires the two to grow together, Madam Speaker, and to adopt what Sir Lynden Pindling went on to say on that occasion. He said, “. . . **this means that we will preserve rather than dispose of [the Cayman Islands]; it means that we will conserve for this and future generations of [Caymanians] the resources of [the Cayman Islands] rather than squander them. It means that [the Cayman Islands] must seek to utilize her domestic manpower and financial resources to continue to assert her own economic identity . . . only in this way will we be able to develop a greater direct participation of the people in the emerging economic structure.**”

What are our respective roles to be in this approach to our modern and common future? As a Government we are resolved to leave the affairs of this country and the life of our people better than we found them. We are confident in this resolve. Again we share much with Sir Lynden Pindling.

My party can also say of itself, as he said of his, “We have chosen not to govern with negativism and fear of the future but with vigour and vision and sound leadership. We will have the victory, but that victory will hinge, and must always hinge, on the fact that because we are not isolated from our people, we feel their pain and share their dreams. We take our strength, our courage, and our wisdom from the people. We will be victorious because we will live up to the dignity of our heritage of representative democracy and the decency of our people.” [UNVERIFIED QUOTE]

We will also follow him in saying this, “We will spare no energy; we will not rest, and we will not relent in our quest to increase employment and decrease crime. We will not falter, we will not flounder, we will not flinch, and we will not fail.” [UNVERIFIED QUOTE]

However, Madam Speaker, the development of a country, of a people, is not a job for leaders alone. It is everyone's job. How do we make and keep our country good? What can each of us do? Again, much of what I will leave you with are not my original words but, as I said earlier, much of what faces us now is not original. We can and ought to learn from each other. And again I have adopted what Sir

Lynden Pindling had to say, because he had it essentially right when he said, “We can get involved in many simple yet important ways: don't litter the parks, beaches, and streets; don't display rudeness to fellow residents and tourists; don't fall into or encourage crime through carelessness and greed. Get involved, so that even when you do not get noticed, even when there are no flags waving, no music playing and no banner swaying, it may be said that we kept the faith that we kept our word and that we maintained the onward stride towards betterment of the common good.” [UNVERIFIED QUOTE]

Finally, get more involved with our families. The family has long been the foundation of everything that we are and aspire to be—whether as members of my own party or of the Opposition or the Independent. As parliamentarians we must lead the way. We must ensure that for both ourselves and the people of the Cayman Islands our pursuit after position or material possessions does not cause us to short change the needs of our families. For of what use are our possessions anyway if we have lost the warmth, the excitement, the sense of belonging and of purpose and that unconditional love that is both sword and shield which only two sources—a good family and a sound faith—can bring? I know we know the answer to that.

Our so-called achievements will be as bitter as gall in our mouth if what we achieve is at the expense of our families, if it means we have neglected them. Let us, therefore, in answering the call to serve not ever fail to observe the old saying “charity begins at home.”

Madam Speaker, we have done much to improve the budgetary position of Government. We have certainly done as well as we could with what we had to work with, and I therefore have no hesitation in commending the 2011/12 Budget and the Appropriation Bill to this honourable House.

Madam Speaker, while we have a long way to go, I am proud of how far we have come. While we did not ask for a honeymoon, we did not get one. We asked not for a honeymoon, but for a good marriage. And that is what we are trying to have with the people of these Cayman Islands.

Madam Speaker, I pray God's blessing on our people, and I want for the day when real unity will reign and togetherness can be had without the kind of disruptions that we know are going to come. I pray for God's blessing on all our people and indeed on all Members of this honourable Assembly.

The Speaker: Thank you, Mr. Premier.

The question is that a Bill shortly entitled the Appropriation (July 2011 to June 2012) Bill, 2011, be given a second reading.

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

Ayes.

The Premier, Hon. W. McKeeva Bush: Madam Speaker, can I have a division?

The Speaker: Madam Clerk.

[pause]

The Speaker: I think Members are supposed to be in their seats for the division.

[Inaudible interjections]

An Hon. Members: Not for the vote, Ma'am.

The Speaker: Okay.

Mr. D. Kurt Tibbetts, First Elected Member for George Town: Only those who voted now can vote in the division. Nobody can come in now and vote.

The Premier, Hon. W. McKeeva Bush: No, he can vote.

Mr. D. Kurt Tibbetts, First Elected Member for George Town: No, no, he can't come in and vote.

The Premier, Hon. W. McKeeva Bush: Huh?

The Speaker: Not in the division.

Mr. D. Kurt Tibbetts, First Elected Member for George Town: *[inaudible]*

The Premier, Hon. W. McKeeva Bush: If you're there you can vote.

[Inaudible interjections]

The Premier, Hon. W. McKeeva Bush: Yes. Yes.

[Inaudible interjections]

The Clerk:

DIVISION NO. 1–2011/12

Ayes: 9

Hon. W. McKeeva Bush
Hon. Juliana Y. O'Connor-Connolly
Hon. Rolston M. Anglin
Hon. Michael T. Adam
Hon. J. Mark P. Scotland
Hon. Cline A. Glidden, Jr.
Capt. A. Eugene Ebanks
Mr. Ellio A. Solomon
Mr. Dwayne S. Seymour

Noes: 0

Abstentions: 3

Mr. D. Kurt Tibbetts

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

[Inaudible interjections]

The Speaker: Order please. We have not finished the sitting.

The result of the division—Ayes: 9; Noes: 0; Abstentions: 3; Absentees: 3.

The Appropriation (July 2011 to June 2012) Bill, 2011, has been given a second reading.

Agreed by majority on division: The Appropriation (July 2011 to June 2012) Bill, 2011, given a second reading.

[Inaudible interjections]

The Speaker: We have not finished the sitting. Order please!

Order! You and him.

I am going to call now for a motion for adjournment of the sitting until the Finance Committee has been completed on the Bill.

ADJOURNMENT

The Premier, Hon. W. McKeeva Bush: Thank you, Madam Speaker.

Madam Speaker, we propose now to adjourn and to go right into Finance Committee (with a five minute break) to consider the Schedules in the Bill and to complete Finance Committee. The House will adjourn until the business of the Finance Committee is completed.

The Speaker: The question is that the House do now adjourn until the conclusion of Finance Committee.

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

Ayes.

The Speaker: The Ayes have it. The House is accordingly adjourned until the business of Finance Committee on the Appropriation Bill has completed.

At 6.14 pm the House stood adjourned until the conclusion of Finance Committee.