

**OFFICIAL HANSARD REPORT**  
**STATE OPENING AND BUDGET MEETING 2011/12 SESSION**  
**WEDNESDAY**  
**3 AUGUST 2011**  
**10.22 AM**  
*Eighth Sitting*

**The Speaker:** I will call on the Honourable First Official Member responsible for Internal and External Affairs and the Civil Service to say prayers this morning.

**PRAYERS**

**Hon. Donovan W. F. Ebanks, Deputy Governor, First Official Member:** 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:** Proceedings are resumed. Please be seated.

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

**The Speaker:** I have no notice of any messages or announcements this morning.

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

**Question No. 1**

**No. 1: Hon. Alden M. McLaughlin, Jr., Leader of the Opposition** asked the Premier, the Honourable Minister of Finance, Tourism and Development: Is the Government prepared to hold a referendum on whether major dredging should be permitted within the North Sound?

**The Speaker:** Honourable Premier.

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, the Government has no need to consider such a referendum since this is not a project that is going ahead.

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

**Supplementaries**

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Madam Speaker, is the Premier now making an official announcement that Government does not intend to proceed with, or allow to proceed, any project which would involve major dredging in the North Sound?

**The Speaker:** Honourable Premier.

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, the Government has said very clearly that the only project that was on the table was one for the channel, and Government has decided not to proceed, or not to consider any applications for such a channel. Therefore, no such dredging will take place. We have made that absolutely clear.

**The Speaker:** Thank you.

[Third Elected] Member for George Town.

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Madam Speaker, I wonder if the Premier can say if any other project is proposed which would involve major dredging in the North Sound, whether the Government would consider doing so, or permit it

to be done; and, if so, whether or not in those circumstances it would hold a referendum or be prepared to hold a referendum on whether major dredging should be permitted in the North Sound.

**The Speaker:** Honourable Premier.

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, we ought to get something clear. The proposal that was being talked about was a channel through one part of the North Sound. When they talk about dredging the North Sound, they are giving the public—and that's what they want to do—the impression that it is going to be wide scale dredging all over the North Sound. And, of course, they speak to people less informed, so people might get that impression. But that is not so.

Madam Speaker, applications come to the Government for various coastal works licences for cleaning up of canals and so on, and those things Government has to consider. There are no applications to Government about widespread dredging of the North Sound. And if one came, it would have to be subject to public consultation. But there are none that I know of.

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

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Madam Speaker, I am going to take that as a “no,” the Government would not hold a referendum.

But, I want to ask the Premier in light of what he has just said about what Government would have permitted in relation to dredging of this channel at Morgan's Harbour . . . sorry, in the North Sound, I think it is the channel closest to Head of Barkers.

Madam Speaker, on the 28<sup>th</sup> of February this year, the Premier is reported in the *Caymanian Compass* as having said the following, and I am quoting from the report. “We have—

**The Speaker:** Is this related to the question before the House?

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Yes, Ma'am. This is in relation to the dredging of the channel—

**The Speaker:** Because you are making a statement. You are supposed to be asking questions.

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** I am. I am asking the Premier, Madam Speaker . . . the question is: How does he reconcile what he has just said with this report? Because, Madam Speaker, he said that we have been misleading the public about wide scale dredging of the North Sound. This is what he is reported as having said in

relation to that. [[28 February 2011 Caymanian Compass](#)]

“**We have been having discussions [with a developer] so a Memorandum of Understanding should be imminent within a couple of weeks,**’ the Premier told the *Compass*. Mr. Bush had told the Legislative Assembly of the intent to build a channel through the North Sound in their sitting on Wednesday, 23 February. Mr. Bush said that the vision—

**The Speaker:** Honourable Leader of the Opposition, I don't like to interrupt you, but the Minister has answered. He has answered you, I think quite clearly, that there is no major dredging to be considered in the North Sound, and no referendum on whether major dredging should be permitted within the North Sound. That is my understanding of [what] has been given. I am not sure where you are going with this statement that you are making now.

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Madam Speaker, I am not making any statement, with respect.

Madam Speaker, the Premier said very carefully, very calculatedly, that we have introduced this issue of wide scale dredging of the North Sound. I am simply asking him, Madam Speaker, to reconcile . . . and he said that is not the case. I am asking him to reconcile that with what he said on the 23<sup>rd</sup> of February 2011, which is, Madam Speaker, with your permission: “**Mr. Bush said that the vision is to dredge the channel closest to the head of Barkers National Park, which will meet up with the channel at Morgan's Harbour and other extant cuts further south. It was yet to be determined how far toward the airport the channel would reach.**

“**I would like to see two islands in the area. There was a proposal some years ago and it didn't go forward because of people talking without facts. This has been done and it hasn't destroyed other environments. Why do they think it is going to destroy this environment?**”

So, Madam Speaker, in light of what the Premier said earlier, I wonder if he can reconcile this statement and whether it is his view that what was being proposed by him here does not constitute wide scale dredging of the North Sound.

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, I [will bow] to your ruling, but I consider if the Member wanted to ask specifically about that channel he should have asked that, but he did not.

Now, what he is choosing to do is to try to say that I said something and I'm not going ahead with it.

**The Speaker:** Honourable Premier, the question has been answered. You said since this is not a project

that is going ahead . . . whatever was said in February, the statement today says this is not a project that is going ahead.

Can we please proceed to the next question?

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, I crave your indulgence because the Member has a habit of twisting the facts and trying to make something out of more . . . and that is their whole *modus operandi* these days, trying to make something out of nothing so that they can have an issue.

There was . . . and I would crave your indulgence so that I can clear this up.

All my life I pushed for what I believe this country needs, one of them being a dock that could take trans-shipment. That was not done because there was no place. The only place where people think we have a sheltered harbour is the North Sound. That would take massive dredging and nobody supports that. I cannot find (at least not a majority) support. That cannot go ahead.

Something was proposed in East End and that received objection to the extent that we are not satisfied with what is being shown to us so far.

Madam Speaker, I push. [I] want to have the corridor on the West Bay side of the Seven Mile Beach on the North Sound side, to be redeveloped, to be able to take mega yachts and such seagoing vessels. The North Sound is shallow. Years ago the channel . . . you could bring a vessel through the North Sound without much problems. Today that cannot be done. Over the years the channels have been filled. So there was a proposal to do what I know as Big Channel, which is not by the national park. Of course, I don't know if that is what the report there—

**The Speaker:** This is . . . Honourable Premier, it is Question Time. I wish you would make a statement in that regard other than at Question Time because we need to proceed with the questions.

The matter has been settled.

**The Premier, Hon. W. McKeever Bush:** But, Madam Speaker, . . . I don't want to interrupt you, but you have to understand the sensitivity of the politics—

**The Speaker:** I understand the sensitivity.

**The Premier, Hon. W. McKeever Bush:** You allowed him to read something, so I think I need to speak to that because you allowed him to read it. If you hadn't allowed him to read it, then I would sit down very well and keep my mouth shut.

**The Speaker:** Well, please make it as short as possible because this is Question Time.

**The Premier, Hon. W. McKeever Bush:** Well, I am sorry, but that takes a while, Madam Speaker. And you allowed the Member to read it, so please allow me to answer it. Please.

And so, Madam Speaker, that was a proposal. Now, he did not ask that in the substantive question, but you allowed him to bring it out.

So, Madam Speaker, that did not go ahead. I did not consider that a major dredging operation to the extent that . . . as I said, it is not the whole of the North Sound, a channel that was going to be something like 16 feet, whether it was received by the Opposition. I said clearly that I . . . the people who proposed said, *Listen, all of this is going to go on. We are not going to waste our investment in this.* That, plus my doctor did tell me, *Look, you have enough on your plate. You have enough work; you have enough headache. Take something off. We don't think that you need to fight this battle. Take it off.*

I said that plainly to the public and I say so now. As far as I am concerned we could do a channel in the North Sound. That is me. Now, the rest of Government might not feel that way. Plenty Caymanians do not feel that way. Plenty of my constituents don't feel that way. But I felt that we could do something, and I thought it would have been good for the North Sound because we would not be digging up the North Sound as is happening.

I think I have said enough, Madam Speaker.

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

Next question please.

## Question No. 2

**No. 2: Hon. Alden M. McLaughlin, Jr., Leader of the Opposition** asked the Premier, the Honourable Minister of Finance, Tourism and Development: Has the Government commissioned an Environmental Impact Study on the likely effects of major dredging, the widening and deepening of the channels into the North Sound and the creation of artificial islands within the North Sound?

**The Speaker:** Honourable Premier.

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, the Government has not received an application from anyone for major dredging, the widening and deepening of the channels into the North Sound and the creation of artificial islands within the North Sound.

My recent comments on such a project were merely an idea that was given to me and I, in turn, passed it on to the public to generate discussions and get the public's views.

Madam Speaker, I can assure this honourable House that if such an application is ever made during

my Administration, we will ensure that there is a complete Environmental Impact Study carried out and its results duly considered prior to any decision being made.

Madam Speaker, there are people within my Government that do not support any such channel or any such major dredging.

**The Speaker:** Thank you, Mr. Premier.  
Are there any supplementaries?

*[no audible reply]*

### Question No. 3

**No. 3: Hon. Alden M. McLaughlin, Jr., Leader of the Opposition** asked the Premier, the Honourable Minister of Finance, Tourism and Development: Has the Government agreed or is it presently negotiating a Memorandum of Understanding or other agreement involving dredging or other development of the North Sound?

**The Speaker:** Honourable Premier.

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, the Government is not presently negotiating a Memorandum of Understanding or other agreement involving dredging or other development of the North Sound.

**The Speaker:** Thank you.  
Supplementaries?

*[no audible reply]*

**The Speaker:** I was trying to give Members a chance if there were supplementaries to be asked on that question. No? Then Question Time is concluded.  
We proceed to the next item.

## STATEMENTS BY HONOURABLE MEMBERS AND MINISTERS OF THE CABINET

### Renaming of the University College of the Cayman Islands and the Cayman Islands Law School

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, just yesterday I gained approval by Cabinet to rename the University College of the Cayman Islands and the Cayman Islands Law School in honour and recognition of the respective contributions of two former Ministers of Government.

It is well known that the University College of the Cayman Islands began as a community college, I

believe back in 1971, and expanded its ambit in 1987/88, thereabouts.

It is well recognised that Mr. Benson O. Ebanks, Jr., OBE, JP, had a long and distinguished career as a legislator and as a Minister of Education for a number of terms. I believe it is also well known that the University College of the Cayman Islands took large strides under his leadership.

The College has grown from strength to strength in the course of time making a huge impact for the good in the Cayman Islands and beyond. I should say, Madam Speaker, that Mr. Sam Basdeo, (as the [past] President), worked hard to move that to proper recognition. And the present President, Mr. Roy Bodden, is doing the same.

However, it is therefore fitting that the University College be renamed as the Benson O. Ebanks University College of the Cayman Islands. And the formal steps toward this will be undertaken shortly.

Mr. Truman M. Bodden, OBE, JP, had an equally distinguished political career. I should say remarkably similar to Mr. Benson's. That is, having served a number of terms in this honourable Assembly and as a Minister of Education. Perhaps influenced by his own professional interests in the law, but also no doubt fully aware of the opportunities for Caymanians in the field, Mr. Bodden had a great deal to do with the setting up in 1982 under his Administration of the Cayman Islands Law School.

This institution has long proved its worth in the legal fraternity of the Cayman Islands and its criminal justice system, and in the financial services industry. This decision has been taken that the Cayman Islands Law School is to be renamed the Truman M. Bodden Law School. The necessary formal steps towards this will be undertaken next year. (I know the statement says in the near future, Madam Speaker, but this will be undertaken next year, which is the 30<sup>th</sup> anniversary of the Cayman Islands Law School.)

Madam Speaker, both of these men have made significant contributions to nation building in these and other ways. This recognition has been earned and it matters not what side they were on politically to me or to my Government, for we do not look at a person's contribution to that extent. Their achievement, their contribution is the measure to be used.

So, Madam Speaker, I am proud, privileged that under my Administration, our Government can do this, for we believe in honouring Caymanians and others who have contributed enormously to the development of these Islands. I am one who does not believe in doing this after a person has died and cannot enjoy it, or enjoy such recognition.

<sup>1</sup>Therefore, Madam Speaker, we intend to do more of this. In fact, Madam Speaker, I should say

<sup>1</sup> See [further statement](#) at page 233

that we would look at the Government Administration Building and give that recognition by the honour of a distinguished public servant who gave, and helped build the Civil Service in this country. And I will be making that recommendation, I should say publicly, to Cabinet before long.

Thank you, kindly.

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

I have a statement now from the First Official Member.

### Proceedings in Finance Committee 20 June 2011

**Hon. Donovan W. F. Ebanks, Deputy Governor, First Official Member:** Thank you, Madam Speaker.

Madam Speaker, during the initial meeting of Finance Committee on 20 June 2011 to consider the 2011/12 Appropriation Bill and related documents, I was questioned by the honourable Leader of the Opposition regarding the status of Ms. Debra Drummond, Mrs. Angela Martins, and Mrs. Diane Montoya.

In response to the question from the honourable Leader of the Opposition, I said that two of the individuals remain in our employ and one has retired from the public service. In response to a follow-up question from the same Member on the status of the two officers who remain in government employ, I stated that one is on required leave and the other on a less formal leave, and that both are awaiting what I hope will be an amicable arrangement that will be mutually agreeable to them and the public service.

When asked by the same Member to say which officer was on required leave and which was on less formal leave, I responded that they were both on leave and reiterated that they were both awaiting what hopefully would be a mutually acceptable arrangement for their future.

I was then asked by the Fourth Elected Member for George Town, and I quote, **"If the Member could actually state to us, particularly in terms of these persons being put on leave, who put them on leave and why?"** I responded to the first part of the question by saying, and I quote, **"The persons who were placed on required leave were placed on required leave by the former Chief Secretary."**

Madam Speaker, what [\*the Caymanian Compass\*](#) subsequently reported in a story datelined 23 June 2011, was, and I quote: **"Asked to explain what kind of leave Ms. Drummond and Ms. Montoya were on, without specifying which he was talking about, Mr. Ebanks said that one was on 'required leave' and the other on a 'less formal leave.'"**

And another excerpt, quote: **"George Town MLA, Ellio Solomon, then asked the Deputy Governor: 'Who put them on leave and why?', to which Mr. Ebanks responded they were placed on**

**required leave by the former Chief Secretary."** End of quote from *the Caymanian Compass*.

While the reports in the media did not precisely reflect what had been said, they were generally correct. While I am satisfied that it was not stated, nor was it reported that the former Chief Secretary had placed Ms. Debra Drummond on required leave, I accept that it was not made clear that he had not done so.

I would therefore crave your indulgence, Madam Speaker, to simply clarify that Ms. Debra Drummond was not placed on required leave by the former Chief Secretary, Mr. George McCarthy.

Thank you, Madam Speaker.

**The Speaker:** Thank you Honourable First Official Member.

Leader of the Opposition.

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Madam Speaker, pursuant to Standing Order 30(2), I seek your permission to ask the Deputy Governor a short question in relation to his statement.

**The Speaker:** Yes, you may proceed.

### Short Questions

[*Standing Order 30(2)*]

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Madam Speaker, would the Deputy Governor then say, or is he in a position to then say who placed Ms. Debra Drummond on required leave if it was not the former Chief Secretary?

**The Speaker:** Honourable First Official Member.

**Hon. Donovan W. F. Ebanks, Deputy Governor, First Official Member:** Madam Speaker, the answer to the question is that Ms. Debra Drummond was never placed on required leave and was the individual who was on what I referred to as the other less formal leave. That leave was approved by me in consultation with the Financial Secretary and the Chief Officer of the Portfolio and the Ministry of Finance.

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Madam Speaker, with your permission, just one short follow-up question.

**The Speaker:** Yes. Go ahead.

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Madam Speaker, I wonder then if the Deputy Governor can say whether or not this less than formal leave is continuing, whether there is any prospect of the matter being resolved before 2013.

**The Speaker:** Honourable First Official Member.

**Hon. Donovan W. F. Ebanks, Deputy Governor, First Official Member:** Madam Speaker, the answer to that question is that nothing has changed since the responses were given on 20 June. So, I think both of those questions have in effect been answered. Certainly, the hope is that both situations will be resolved in the near future.

**The Speaker:** Thank you.

I have given leave for one more statement, but it will be made later in the day.

Can we proceed?

## OTHER BUSINESS

### BILLS

#### MOTION TO WITHDRAW

*[Standing Order 58]*

##### Public Management and Finance (Amendment)

Bill, 2011

*[Withdrawn]*

**The Speaker:** Honourable Premier.

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

Madam Speaker, pursuant to Standing Order 58, I beg to withdraw the version of the Public Management and Finance (Amendment) Bill 2011 that was previously circulated to honourable Members on 30 May 2011, via Business Paper No. 6.

**The Speaker:** The question is that the Public Management and Finance (Amendment) Bill 2011 that was previously circulated on Business Paper No. 6, on 30 May 2011, be withdrawn.

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

**Ayes.**

**The Speaker:** The Ayes have it. The Bill is accordingly withdrawn.

**Agreed: The Public Management and Finance (Amendment) Bill, 2011, withdrawn.**

## GOVERNMENT BUSINESS

### MOTIONS

#### Suspension of Standing Order 24(5)

**The Speaker:** Honourable Premier.

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, I rise to move the suspension of Standing Order 24(5) to enable a Government Motion to be dealt with during the current meeting, to deal with the setting up of the Public Accounts Committee.

**The Speaker:** The question is that Standing Order 24(5) be suspended to enable a Government Motion to be dealt with during the current meeting, specifically the Motion to establish the Public Accounts Committee.

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

**Ayes.**

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

**Agreed: Standing Order 24(5) suspended.**

### BILLS

#### FIRST READINGS

##### Legal Practitioners (Amendment) Bill, 2011

**The Clerk:** The Legal Practitioners (Amendment) Bill, 2011.

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

##### Suspension of Standing Order 46(1) and (2)

**The Speaker:** Honourable Premier.

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, I move for the suspension of Standing Order 46(1) and (2) to enable the Public Management and Finance (Amendment) Bill, 2011, circulated on Business Paper No. 19, dated 1<sup>st</sup> August 2011, to be given a first reading.

**The Speaker:** The question is that Standing Order 46(1) and (2) be suspended to enable the Public Management and Finance (Amendment) Bill, 2011, circulated on Business Paper No. 19, dated 1<sup>st</sup> August 2011, to be given a first reading.

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

**Ayes and one audible No.**

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

**Agreed: Standing Order 46(1) and (2) suspended.**

## Public Management and Finance (Amendment) Bill, 2011

**The Clerk:** The Public Management and Finance (Amendment) Bill, 2011.

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

## SECOND READING

### Legal Practitioners (Amendment) Bill, 2011

**The Clerk:** The Legal Practitioners (Amendment) Bill, 2011.

**The Speaker:** Honourable Second Official Member.

**Hon. Samuel W. Bulgin, Second Official Member:** Thank you, Madam Speaker.

I beg to move the second reading of a Bill entitled: A Bill for a Law to amend the Legal Practitioners Law (2010 Revision) as a consequence of the creation of the constitutional office of the Director of Public Prosecutions; and to make provisions for incidental and connected matters.

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

Honourable Second Official Member.

**Hon. Samuel W. Bulgin, Second Official Member:** Yes, Madam Speaker. Thank you.

Madam Speaker, this is a short Bill. As the recital states, it is as a result of the new constitutional arrangement where responsibility for the prosecution of criminal matters is now vested in the Office of Director of Public Prosecutions and the Director has constitutional responsibility for that.

Madam Speaker, prior to that, as we all know, such function was carried out by and on behalf of the Attorney General. That has been the custom, the position ever since. And, Madam Speaker, in doing so, the lawyers in the Attorney General's Chambers, including the Attorney General himself (or herself, for that matter) [INAUDIBLE] enjoyed through the Legal Practitioners Law. Madam Speaker, what that means is that under the Legal Practitioners Law, all lawyers, once they are deemed to be qualified to practice here in this jurisdiction pursuant to section 3 of the Legal Practitioners Law, they are either required to get a work permit or some other means of being allowed to practice here.

Section 5 of the Legal Practitioners Law says: “[**(1)**] **The Clerk of Court shall, upon application from any person admitted to practise as an attorney-at-law under section 3, enter his name in a**

**book to be kept for the purpose by the Clerk and to be called the Court Roll and . . . [(2)] Any person whose name is so enrolled shall, subject to section 12, be entitled to practise as an attorney-at-law in every court in the Islands.”**

And constructively, Madam Speaker, section 5(4) of the Legal Practitioners Law says, “**Subject to section 4, no person whose name is not so enrolled shall be entitled to practise in any court in the Islands.”**

Madam Speaker, once enrolled the names would be entered in the register and, amongst other things, they would be required to be issued with an annual practicing certificate and, of course, a work permit, with payment of the requisite fees. And they would be well entitled to now have right of audience before the courts as well as practicing otherwise doing advisory work.

However, Madam Speaker, section 15 of the Legal Practitioners Law made exemptions for lawyers in the Attorney General's Chambers. It says, “**Nothing in this Law shall [(a)] prejudice or affect the rights, including the right in connection with the duties of [his] office to act as an advocate, or privileges of the Attorney General or of any person holding public office in the Attorney General's chambers or of a person instructed by or on behalf of the Attorney General to appear for the Attorney General in any cause or matter and who possesses the prescribed qualification . . .**” as required, Madam Speaker, in section 3, I might just add.

[Section] (b) shall not “**affect any enactment empowering any person, whether or not an attorney-at-law, to conduct or otherwise act in relation to any legal proceeding.**”

So what this new Bill is trying to do is, that these lawyers who appear for the DPP [Department of Public Prosecution] and the DPP's Chambers, are no longer appearing for or on behalf of the Attorney General. They now appear for the DPP. So the Bill is aimed at putting in place a similar arrangement for the lawyers in that office, that they are not required to be issued with practicing certificates and be called to the Bar, pay annual practicing fees; provided of course, that they are qualified to practice pursuant to section 3 of the Law, which they all are.

So, it is really just transferring the arrangement that has been enjoyed by the lawyers in the AG's Chambers to the lawyers who now appear for the DPP in the courts. In doing so, Madam Speaker, the Bill has a transitional provision, a validation clause, rather (sorry), which validates any appearances that have been made by these lawyers since 1 May when the Office of the Director of Public Prosecutions was formally staffed. The DPP was appointed effective 1 May, and the office has been functioning since then and these lawyers have been appearing. So

there is a validation clause in clause 3 of the Bill which addresses what has transpired thus far.

Madam Speaker, the Bill also understandably makes it quite clear that this amendment would not prejudice or affect the rights, including the right in connection with duties of the advocate who appears, that office, but also it does not affect any enactment, any other law empowering any other person, whether or not an attorney at law, to conduct or otherwise act in relation to any legal proceedings in these courts as well.

Madam Speaker, it is common knowledge that from time to time you have police officers, for example, who appear in a court and prosecute on behalf of the Crown. And there are also persons who can bring what we call "private prosecutions" on their behalf. This law preserves that position. So they are not affected by any of these amendments and hence the reason for these clauses.

Madam Speaker, I will be happy to answer any questions or deal with any comments arising there from. I commend the Bill to all Members. Thank you.

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

Honourable Leader of the Opposition.

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Thank you, Madam Speaker.

I want to thank the Attorney General for his explanation as to this amending Bill. Absent that, I think we were all struggling to understand what the purpose of it was.

Madam Speaker, I do believe, though, that the anomalies which have arisen in this particular instance as a result of the constitutional change, actually should cause the Attorney General and the policy-makers to think again about the need in this day and age for there to be the kind of artificial distinction that there is in the Legal Practitioners Law which carves out the Attorney General's Chambers—now the Director of Public Prosecutions—and I presume the Solicitor General's Chambers, and those who work for those Chambers, to relieve them from the usual requirements of satisfying the court, the Chief Justice, that they are properly entitled to practice in this jurisdiction.

I cannot see, Madam Speaker, that this distinction has any basis in principle. Either you are entitled to practice in the Cayman Islands because you have met the academic requirements and all of the other requirements that go along with being able to be admitted as a lawyer, or you do not. Why is it that we need the Attorney General to have this special carve out, the DPP to have this special carve out, and to be able, ostensibly, to recruit people (even if it is for a one-off exercise) who may not meet the requirements

to be able to practice law in the Cayman Islands? I have never quite understood that.

As time has marched on and as we have continued to have the issues and the battles from administration to administration of trying to get a new Legal Practitioners Law through, this is one of the areas which always gives cause for dissent. Why should we be treating those lawyers who work for government differently than those who have to work in the private sector? Why are they not subject to the jurisdiction and oversight of the Chief Justice in the same way that other lawyers are?

As we have made this constitutional change, which has addressed one of the major concerns that many of us (myself principally among them) have had about the conflict inherit in many of the responsibilities of which the Office of the Attorney General previously had, I believe that this is another area that we need to look carefully at. I cannot quite grasp why we seem to feel always that government needs to have some special dispensation, some special set of rules that deals with the people who work for government in carrying out their various responsibilities from those in the private sector. I think the less distinction there is in that regard the more sense of fairness and equity and responsibility and accountability there will be.

So, Madam Speaker, I would . . .

Just a moment, Madam Speaker, I want to confer with one of my colleagues, with your permission.

[pause]

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Yes, Madam Speaker, so I would ask the Attorney General if, when he is winding up, he would address some of these points. We are not going to vote against the Bill. I am not suggesting that is what we are going to do. But, I really think it is time that we look carefully again at how we structure these various departments, and whether or not there is truly a proper basis for continuing to make these sorts of distinctions.

Thank you, Madam Speaker.

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

If not, I call on the mover of the Bill to conclude the debate.

**Hon. Samuel W. Bulgin, Second Official Member:** Thank you, Madam Speaker.

I thank the Honourable Member for his observations. May I just clarify though, that the lawyers who work in the Chambers of the AG and the Chambers of the DPP are qualified to practice pursuant to section 3

of the Legal Practitioners Law. They satisfy one of the requirements there. They are adult persons who are qualified and entitled to practice at the Bar of England or Wales, either a member of the Faculty of Advocates of Scotland or an attorney-at-law of the Supreme Court of Jamaica or any of the Caribbean Commonwealth Countries, and/or is a Writer to the Signet of Scotland or a solicitor admitted to practice in Scotland; or, certainly in the case of our local attorneys, qualified to practice as an attorney-at-law under regulations made under section 20.

Those, Madam Speaker, would be those persons who naturally graduated from the Law School and have done their requisite period of articles (18 months) and have been called to the Bar; or otherwise, even if they are not called to the Bar but they would have satisfied the period of articles under the Law. So, there is no question about their qualification as attorneys; they are qualified as lawyers and would otherwise be entitled to practice here. I just want to make that quite clear.

What they are exempted from, Madam Speaker, is the formality of having to apply to be called to the Bar and to be issued with a practicing certificate upon payment of the usual fees and/or issued with a work permit. That is what they are exempted from. That is the only exemption. That is not unique to the Cayman Islands, Madam Speaker. That is a feature that runs throughout most Commonwealth countries.

I recall, Madam Speaker, former Chief Justice of Jamaica Kenneth Smith. When he retired as Chief Justice at age 70, he applied after that to be called to the Bar in Jamaica. That is when he was called, after his retirement as Chief Justice. And there was some issue about his seniority.

A lot of government lawyers like to be called, notwithstanding the fact that they don't have to, because once you get your name on the roll as a lawyer you get to preserve your seniority. So, whoever is called after you is junior to you. Some lawyers like to do that. I, myself, am called to practice here in this jurisdiction to preserve my seniority as well.

So, Madam Speaker, that is the explanation really, but they are qualified otherwise to practice.

And the larger issue raised by the Honourable Member as to whether there should be any distinction, or in the sort of special dispensation, clearly that is a policy issue which we will be looking at in the current ongoing exercise dealing with the amendment to the Legal Practitioners Law. And certainly, we will take on board his observations and see how we can come up with a sort of a sensible compromise in all the circumstances.

One of the consolations, of course, is going to be that if these lawyers are required to be called to the Bar to be issued with the annual practicing certificate that clearly is going to be an additional cost to the

state because they would have to, like any employer, make provision for the lawyers to be called and the certificate be paid for, unless of course, as one Member said, there is going to be an enhanced salary package for them.

*[inaudible interjection]*

**Hon. Samuel W. Bulgin, Second Official Member:** Thank you.

Oh sorry, I thought you said an enhanced salary

*[addressing inaudible interjection].*

**Hon. Samuel W. Bulgin, Second Official Member:** Madam Speaker, that is really an issue that we will take on board going forward. And I certainly do thank the Honourable Member for his usual very frank, helpful and insightful contribution to the matter. And, of course, I thank all honourable Members for their support.

I do thank you.

**The Speaker:** Thank you, Honourable Second Official Member.

The question is that Legal Practitioners (Amendment) Bill, 2011, be given a second reading.

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

**Ayes.**

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

**Agreed: The Legal Practitioners (Amendment) Bill, 2011, given a second reading.**

#### **Suspension of Standing Order 46 (4)**

**The Speaker:** Honourable Premier.

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

I beg to move the suspension of Standing Order 46(4) to enable the Public Management and Finance (Amendment) Bill, 2011, to be read a second time.

**The Speaker:** The question is that Standing Order 46(4) be suspended to enable the Public Management and Finance (Amendment) Bill, 2011, to be read a second time.

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

**Ayes and one audible No.**

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

**Agreed: Standing Order 46(4) suspended.**

## SECOND READING

### Public Management and Finance (Amendment) Bill, 2011

**The Clerk:** The Public Management and Finance (Amendment) Bill, 2011.

**The Speaker:** Honourable Premier.

**The Premier, Hon. W. McKeever Bush:** Thank you very much, Madam Speaker.

The Government finds the position—

**The Speaker:** You need to move the second reading.

**The Premier, Hon. W. McKeever Bush:** I thought I had, but anyway.

Madam Speaker, I beg to move the second reading of a Bill entitled The Public Management and Finance (Amendment) Bill, 2011.

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

Honourable Premier.

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

Madam Speaker, the Government finds the position for the last six financial years of the prescribed timelines in the Public Management and Finance Law in respect to the tabling of annual reports to the Legislative Assembly has not been adhered to. This goes against the basic fundamentals and spirit of the Law.

For this primary reason, Government undertook the mammoth task of identifying the issues government agencies were having with the Law and to fix those issues, whether they were with the Law itself or the underlying supporting systems and procedures.

Madam Speaker, one of the first steps the Government undertook in an attempt to fix the financial reporting problems was to hire a consultant to review both the Government's financial and human resource management systems. The consultant, Mr. Keith Luck, issued his first and his final report earlier this year. One of the areas that he identified, which my Government was well aware of, was the complex reporting aspects of the Law.

Mr. Luck's recommendation included the suspension of quarterly reporting. Madam Speaker, it is proposed that quarterly reporting be suspended and this aim is reflected in clauses 4, 6 and 8 of the Bill now before the House.

He recommended the removal of the requirement of the audit of output reports. Both the proposed removal of the need to produce output reports and the proposed removal of the need to audit financial statements not already audited for the 2004/05–2007/08 financial years are addressed in clauses 4, 7, and 9 of the Bill. He also recommended reducing the volume of reporting by statutory authorities and government companies. This is addressed in clauses 8 and 9 of the Bill.

Madam Speaker, I will address each of the clauses of the Bill later in my presentation. But another step the Cabinet took was to meet with the Auditor General to get his views on Government's financial accountability regime to learn of any improvements that be made of the financial accountability regime that we practice.

The Auditor General's views included:

(a) Output statements were very limited in value and did not provide effective public accountability of the performance of Ministers or ministries or portfolios.

The proposal for removal of the need for output reporting has been addressed in clauses 4, 7 and 9 of the Bill.

(b) The entire public sector submissions or consolidated financial statements for all years up to 2007/08, and probably 2008/09, had a very limited value because of their lateness.

The proposed removal of the need to audit these out of date financial statements for the 2004/05 to 2007/08 financial years is addressed in clauses 4, 7 and 9 of the Bill.

(c) Concentrate on ensuring that statements for 2009/10 are as good as they can be in auditing financial statements from the 2008/09 financial year, and onwards.

This is addressed in clauses 4, 7 and 9 of the Bill

(d) Suspend specific requirements for the law, notably suspend the need to produce output statements and quarterly reporting.

Again, the proposed removal of quarterly and output reporting is addressed in clauses 4, 6, 7 and 8 of the Bill.

Madam Speaker, with your indulgence I would like to now take some time to explain the much misunderstood (perhaps mischievously so) reference to non-compliance with Generally Accepted Accounting Practices (GAAP) that was contained in the first version of the Bill (that has now been withdrawn).

Madam Speaker, in his report entitled "Financial and Performance Reporting—General Report of the Auditor General, 2010," the Auditor General stated that the reasons for issuing the numerous qualified adverse and disclaimer opinions on ministries' and portfolios' financial statements, were due to the following:

- (a) Fixed assets—fixed asset records were incomplete and in some instances there was a lack of records to support the balances and transactions in relation to the property, plant and equipment. Fixed asset registers were not maintained; detail of assets purchased and disposed of were not available; and support for the valuation of assets was not available.
- (b) Depreciation—due to issues around fixed assets, there was a lack of evidence to support depreciation expenses.
- (c) Expenses—a lack of evidence such as invoices and contracts to support the completeness, accuracy and appropriateness for a variety of expense areas.
- (d) Accounts receivables and accrued liabilities—a lack of supporting evidence to support completeness and accuracy of liabilities and receivables.
- (e) Reorganisation of Government—a lack of documentation to support the financial re-appointment of departments amongst the ministries and portfolios effective the 1<sup>st</sup> July, 2005.
- (f) Net worth and capital charges—as a result of deficiencies in other areas, there was a lack of evidence to support these items.
- (g) Journal Entries—journal entries are normally used sparingly to correct accounts or records unusual or to record unusual transactions. A significant number of transactions have been posted through the accounting system by journal entries with little reference to what the transactions are and what evidence there was to support them.

This is all, Madam Speaker, of what the Auditor General has found and has said in his report.

The Auditor General went on to state that the Government was in non-compliance with the presentation and disclosure requirements of International Public Sector Accounting Standards (IPSAS), as it is commonly called. The level of non-compliance was variable and such non-compliance was the main issue for a few of the qualified opinions issued by the Auditor General. But in other instances it was to a greater degree of importance which led to adverse or disclaimer of opinions.

He talked about disclaimer, but remember, he said there was some \$69 million which he could not give account for.

The most obvious IPSAS statement that the Government would not be in compliance with, include:

- (a) IPSAS-1—Presentation of financial statements.

It states that financial statements are impaired if they are not made available to users within six months of the reporting date. Since this requirement has not been met, there would be non-compliance with IPSAS-1.

- (b) IPSAS-1 Presentation of financial statements requires the preparation of a balance sheet or what is now referred to as the statement of financial position.

The Ministry of Finance felt that preparing full consolidated balance sheets for each of the outstanding financial years was not an effective use of resources. Instead, the Ministry of Finance decided to present key financial information in a columnar format for the 2004/05 to 2007/08 financial years. However, the columnar and reduced presentation of the financial information of the statement of financial position is not in compliance with IPSAS-1.

- (c) IPSAS-2—Cash flow statements require the preparation of a statement of cash flow.

The Ministry of Finance felt that preparing full consolidated statements of cash flows for each of the outstanding financial years was not an effective use of resources, instead the Ministry of Finance decided to present key financial information in a format for the 2004/05 to the 2007/08 financial years. However, the columnar and reduced presentation of the financial information of the statement of cash flows would not be in compliance with IPSAS-2.

- (d) IPSAS-17—Property plant and equipment requires the recognition of fixed assets, the determination of carrying amounts and the recognition of depreciation charges and impairment losses as stated by the Auditor General.

Fixed assets and records have not been adequately maintained.

Non-compliance with IPSAS met that the Government was also not in compliance with GAAP. GAAP is defined under the Public Management and Finance Law (PMFL) as (a) International Public Sector Accounting Standards issued by the International Federation of Accountants; (b) where no guidance is provided by those standards on a particular subject area, International Accounting Standards issued by the International Accounting Standards Committee, or (c) where no guidance is provided by the standards referred to in (a) and (b), accounting practice that is generally accepted within the accounting profession in the United Kingdom as appropriate or reporting by the national government, regional government, local governments and related governmental entities such as agencies, boards, commissions and enterprises.

Due to the definition of GAAP under the Public Management and Finance Law, and discussions with the Legal Drafting Department, the Government

therefore proposes the suspension from the wider terminology of GAAP for the 2004/05 to the 2007/08 years, as opposed to stating suspension from IPSAS. The Government is aware that GAAP is commonly defined as a collection of rules and procedures and conventions that define accepted accounting practice, and includes broad guidelines as well as detailed procedures.

To the general public, it would have appeared as though the Government was suspending all accounting rules, procedures and conventions. But this was not the case nor was it the intention of the Government. The Government since met with the Auditor General and the Legal Drafting Department to ensure that the Government's intention was accurately reworded in this present version of the Bill now before the House.

All parties agreed, Madam Speaker, that instead of amending the Law to suspend compliance with GAAP, a better alternative would be to disclose in the notes of the financial statements, the particular sections of the IPSAS where there will be non-compliance and such departures would be applicable only to the earlier years of 2004/05 to 2007/08. Accordingly, Madam Speaker, all clauses of the previous Bill that suspended compliance with GAAP are not present in the Bill now before the House. As taken from the Bill itself, Madam Speaker, the detailed amendments which are now being proposed in the Public Management and Finance (Amendment) Bill, 2011, are as follows:

Clause 1 provides the short title.

Clause 2 amends section 13 of the principal Law to remove references to sections 28, 43 and 51 of the Law which are being repealed.

Clause 3 repeals section 28 of the principal Law to remove the requirement for quarterly consolidated reports.

Clause 4 repeals and replaces subsection 29(2) of the principal Law to allow for annual consolidated unaudited financial statements and annual unaudited schedule of appropriations for the year 2004/05 to 2007/08, and to remove the requirement of an annual consolidated summary of the specific outcomes and audited summary of the output groups, transfer payments of groups, et cetera.

Clause 5 amends section 32(f) of the principal Law to remove the reference to section 28 which is being repealed.

Clause 6 repeals section 43 of the Law to remove the requirement of a Ministry of Portfolio to produce quarterly reports.

Clause 7 amends section 44 of the principal Law to allow for unaudited financial statements for the years 2004/05 to 2007/08, and to remove the requirement for a ministry or portfolio to produce annual audited statements of outputs delivered, summary of the nature and scope of the activities, the summary of

the strategic goals and objectives and the summary of the ownership performance achieved.

Clause 8 repeals section 51 of the principal Law to remove the requirement for statutory authorities and government companies to prepare half yearly reports.

Clause 9 amends section 52 of the principal Law to allow statutory authorities and government companies to prepare unaudited statements for the 2004/05 to the 2007/08 years.

Clause 10 amends section 53 of the principal Law to remove references to half yearly reports which are no longer required in light of the repeal of section 28 of the principal Law.

Clause 11 amends section 54 of the principal Law to remove references which are no longer required in light of the repeal of section 28, an amendment of section 29 of the principal Law.

Clause 12 amends section 60 of the principal Law to remove references which are no longer required in light of the amendment of sections 29 and 44 of the principal Law.

Clause 13 amends section 78 of the principal Law to remove the references to section 43 of the principal Law which is being repealed.

Clause 14 amends the Second Schedule of the principal Law in order to change the names of the operating statement and balance sheet to the statement of financial performance and statement of financial position respectively.

Clause 15 repeals the Third Schedule of the principal Law.

Clause 16 amends the Fourth Schedule of the principal Law in order to change the names of the operating statement and balance sheet to the statement of financial performance and statements of financial position respectively, and to remove the requirement for statements of financial position, change in net worth cash flows, commitments, contingent liabilities, and other statements as may be required to reflect financial performance and position for the years 2004/05 to 2007/08.

Clause 17 amends the Fifth Schedule of the principal Law to remove the references to sections 43 and 44 of the principal Law which are being repealed.

Madam Speaker, as I said, these are recommendations made by the Auditor General, which we concur with, as we believe that the Law as it stands is too cumbersome and is unworkable for the makeup that we have in the Civil Service. Therefore, it has slowed the accounts. The very staff could not get them done because of the Public Management and Finance Law.

Madam Speaker, I would hope that Members understand and appreciate what Government is trying to do. I think Members have said themselves that this is far too cumbersome, so I await to hear what Mem-

bers now have to say. This then concludes my presentation of the proposed amendments in the Bill.

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

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

First Elected Member for George Town.

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

Madam Speaker, the new amending Bill, certainly with the exclusion of certain clauses, is a lot more palatable to us on this side. The clauses I refer to are the clauses which were seeking to remove the requirement for compliance with generally accepted accounting standards for the years 2004/05. Initially it was stated from 2004/05 to 2010/11. The new Bill now speaks to 2004/05 to 2007/08. So the span of years has changed, but the proposal to remove the requirement for compliance with generally accepted accounting standards is also removed from the new Bill.

Even though 2004/05 to 2007/08 will not be required the full audit process, the generally accepted accounting standards will still apply for whatever probe, or whatever examination is done to those accounts by way of the Auditor General. Madam Speaker, that really changes the whole picture; and that was the biggest objection we (on this side) had to the proposed Bill.

Madam Speaker, the changes that are proposed in this Bill, which follow by way of taking out the requirements for quarterly and half-yearly reporting, are also something that we certainly have no problem with. In fact, some of us for many years have been saying that this requirement was not only onerous, but really did not serve anywhere near its intended purpose simply because of the lag of time by way of when that quarterly report was completed, when it was made public, when anyone would actually have any use of it. The period of time that had gone made it almost redundant, and, indeed, almost irrelevant.

So, for all purposes and intents, those exclusions in the proposed Bill are certainly not with any difficulty on our part.

I am just making a few observations, Madam Speaker. The Honourable Premier in bringing the Bill mentioned the fixed asset register. I think many of us have known for quite some time that the Government's asset register is not up to date and, therefore, not only does it create much difficulty with actual current value of assets (because this is not done on a regular basis), but also when it comes to accrual accounting the depreciation methodology used makes it a bit difficult because the asset register is not kept up to date. In fact, I do not think we have had a complete one in many, many a moon.

I bring this up to say, Madam Speaker, that if we are going this far with amending the Public Management and Finance Law, then certainly, for us ("us," meaning a country; and "us," meaning a government) to function properly, we must . . . that is not one of those that we can make some exception for because that is part of the process. And without it, the process cannot be truly completed and updated on a regular basis. So we have to get it to the point where it is current, and kept current not only for accounting or auditing purposes, but just as an ingredient to be able to be factual about government's current position in any accrual system that is being employed all the time.

So, Madam Speaker, I would hope that we would be able to not only make strides in that direction but get that matter sorted out.

Madam Speaker, one of the—

**The Speaker:** Order please.

The First Elected Member for George Town is on his feet, and I think the House should pay him the respect of hearing what he has to say.

**Hon. D. Kurt Tibbetts, First Elected Member for George Town:** Madam Speaker, one of the difficulties I think we on this side of the House need to get a clear understanding of is if 2004/05 through 2007/08,

inclusive, are going to be made exceptions (so that we can move on commencing July 1 2008 to 2009 and go back to the regular way by then) . . . as I understand it, so as not to continue this battle of trying to get the rest up to date and make everything else fall behind, what it means is that at the end of fiscal year 2007/08 (which is 30 June 2008) you cannot at that point in time have an audited opening balance for 1 July 2008/09.

I know that we have to start somewhere, and I accept that. But what I do not know is how that would be treated when you want to be able to have an unqualified audit for 2008/09. Perhaps that can be explained when the Honourable Premier is winding up, because what we are not sure of is the point that you begin from. You have to get that sorted out because that continues on every year end. If, by chance, you have to be qualified all the time, then you are not getting to the point you wish to get to, which is an unqualified audit.

So, Madam Speaker, we need to get a clear understanding of that.

The Premier mentioned the report done by the consultant, Mr. Luck. Madam Speaker, the points that the Premier mentioned we on this side are certainly in agreement with. We have not had the opportunity to have a physical look at this report, but having met with Mr. Luck myself during the time of his review, I am pretty certain that there would have been other recommendations made beside those mentioned. And I am sure that those recommendations would be valid.

While they may not form part of any amending Bill that is put before this House today, I am hoping—and I would wish for the Premier to comment on it—that these other recommendations will be looked at very seriously and be looked at with a view to making sure that these recommendations are actually enacted and put in place in order for smoother running of the machine, so to speak.

Madam Speaker, I have tried to read this more than once, and I am just going to ask your permission to quote from two sections of the actual Bill itself—the new Bill that we recently got. It is not going to take very long, but I am not 100 per cent sure of the timing that is being proposed.

In the amending sections we notice that what is being proposed for core government, the same medicine is to be applied (if I may use that term) to the statutory authorities and government owned companies, which I do not think is an unfair situation. But if we look at [clause] 4 of the proposed Bill, subsection (2)(b), where it is repealing subsection (2) in section 29, it says, “[**(2)(b)**] by repealing subsection (3) and substituting the following subsections – ‘**(3) The annual consolidated financial statements and the annual schedule of appropriations referred to in subsection (2) shall be prepared within four months of end of the financial year.**’”

And then (3A) says: “**The annual consolidated financial statements and the annual schedule of appropriations referred to in subsection (2)(a)(ii) and (b)(ii) shall be submitted to the Auditor General for auditing, and the Auditor General shall express an opinion within one month of receipt of the annual consolidated financial statements.**”

What this says to me is that there is a five month total period before the Auditor General expresses an opinion from the beginning, or, rather, from the end of the fiscal year, when I read those two sections.

And then, when we move on to [clause] 7 of the Bill which seeks to amend portions of section 44 of the main Law, in [clause 7](2) of the new Bill (at page 8 of the Bill), it says: “[**(b)**] by repealing subsection (3)” (that is, of section 44) “**and substituting the following subsections – ‘(3) The financial statements referred to in subsection (2) shall be prepared within two months of the end of the financial year.’”**

And (3A) says: “**The financial statements referred to in subsection 2(b) shall be submitted to the Auditor General for auditing, and the Auditor General shall express an opinion within two months of receipt of the financial statements.**”

Madam Speaker, even if we are referring to . . . let me just make sure that I am saying this right.

The first amendments I quoted speak to a four-month period after the fiscal year, by which time a

report has to be given to the Auditor General. Then the Auditor General has a one-month period to express an opinion or prepare a report. Then this next step speaks about two months after the fiscal year, and after that the Auditor General has two months to speak . . . rather, to express an opinion.

Whether one refers to the reports of ministries or portfolios and the other reports to the entire government accounts being audited, whether that is just core government or whether that includes statutory authorities and government owned companies, Madam Speaker, somewhere along the line I am missing something, because one says four months, then one month; and the other says two months then another two months. So, I am not so sure how that will work, and we would certainly wish for that to be explained.

I have tried to picture it, and I kind of get confused. It probably has a simple answer to it, but I cannot finger it as it reads in the amending Bill, even when we juxtapose it and take that information out and put it into the Law itself. I am sure there is an explanation to it, but I just cannot grab it, so to speak. The truth is, we really have not looked at it for a very long period of time because this last Bill has only recently been distributed.

So, Madam Speaker, those are generally the points that we wished to make and to seek clarification on. We certainly do not believe that this is the be-all and end-all of improvements that can be made, not only to the Law, but actually to how it works. Certainly, we believe it is a step in the right direction and the process should continue by way of looking to improve the workings of the Public Management and Finance Law.

Madam Speaker, I am not so sure that any of my colleagues are going to speak on this, but I am certain in this instance that I can speak on their behalf, that we are not in any way unsupportive of the Bill, but certainly we would seek before the vote is taken to have those points clarified so that we can have that ease of mind with regard to where the question marks lie.

Thank you, Madam Speaker.

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

Does any other Member wish to speak?  
[pause]

Honourable Minister of Education.

**Hon. Rolston M. Anglin, Minister of Education, Training and Employment:** Thank you, Madam Speaker.

Madam Speaker, I am happy to hear that the Opposition is going to offer support to this Bill. It is vitally important that we move the reporting framework of government above the cut and thrust of our everyday politics.

Madam Speaker, the country needs to be positioned to have sensible reporting framework not only for the Legislature and the Cabinet, but, indeed, for the wider public. It is all of constituents and, indeed, all persons who would seek to do business in the Cayman Islands who will benefit from ensuring that we have a clear transparent and robust reporting mechanism for not only central government, but, indeed, all of the agencies and tentacles that make up the entire public sector.

Madam Speaker, if I were to reflect on the initial passage of this legislation for a couple of minutes, I think the picture needs to be completed. All of us who were Members of the Legislative Assembly at the time acknowledged that the exercise which culminated in the Public Management and Finance Law was one that all of us unanimously bought into and supported, and one that we saw as critical to the way forward in terms of how the Cayman Islands Government would report. If it wasn't unanimously supported, it certainly was by way of a distinct majority of Members of the House at the time that this new regime was ushered into Law for these Islands.

Madam Speaker, I think it is fair to say that at the time when we all looked at the principles that the new system espoused, all of us (or, as I said, the majority of us) looked on and said that these were important principles for financial reporting. But more importantly, when we looked at the overall new budgeting system we also bought in and supported the new reporting requirements and standards that this Law contemplated for our output reporting.

The passage of time and practice, Madam Speaker, has proven this to be a system that in theory would have brought about a lot of positives, but in practice, has proven more than difficult. In fact, all of us, I believe I can accurately say, have admitted now that it is impossible to administer. In fact, at the time when this Law was first enacted, everyone involved, if I remember correctly (in terms of those outside of the Legislative Assembly), looked on and said, *Yes, how it is constructed makes sense*. Including agencies like the Audit Office.

However, when it came to practical implementation, they too had to admit that from an audit standpoint many of the requirements, from a practical standpoint, cannot be seamlessly administered.

For example, Madam Speaker, the change that is being made as it relates to output statements, the Audit Office for quite some time has told successive Public Accounts Committees that they simply do not have the manpower to be able to perform the audits of output statements across the entire public sector. But, more importantly, the actual production of reliable information to underpin our output statements is also absent in central government.

In other words, Madam Speaker, for government to be able to employ enough people to produce

the information that underpins the outputs that our budget is based on is impossible. I say that because if we look at the ABS (Annual Budget Statements) document that accompanies our Budget, for the Cayman Islands Government to have enough officers to be able to substantiate every public servant's time sheet to any level and degree of accuracy would require a complete army of people in and of itself. So, you would need an army to be able to substantiate the actual reporting of people's activities day by day, minute by minute, hour by hour, and have a firm level of comfort that every one of them is accurate.

Then, even if we were to spend those multiples of millions of dollars to hire the people to do that, the Audit Office is equally saying that we would now need an army of auditors to be able to come in and audit these output statements and opine an opinion on them.

So, while for us as legislators, when we go through our budget process and take any area of government to look at the specific output, and then see all of the activities that underpin that output, that may be useful information for us to be able to justify within our minds why we are appropriating those funds to underpin that activity. The actual accounting, the actual gathering of information and auditing of that information, is simply impractical and would be too costly for what it is worth.

The cost benefit analysis would be very simple. We as legislators would have to ask ourselves, *Should the country expend multiple millions of dollars on an administrative function that underpins output statements and nothing more?* Not whether or not the public is getting good value for money and good service; just to underpin what is in an output statement and the underlying ABS statements. Would we see that as a wise investment?

Let me use a very simple example. In the Portfolio of Internal and External Affairs, in the Police vote we may see that as part of crime-fighting strategy RCIPS is saying that they are going to have 2,000 hours, for example, of foot patrols. How we as the CIG would be able to actually document and prove that those numbers of hours logged for that activity are accurate, would require an increase in the number of administrative staff.

What the Audit Office is then saying is that for them to be able to drill down and audit that level of detail would require them to enhance their staff complement.

So, Madam Speaker, we do need to have a look at exactly what we are reporting from the budget stage of the exercise and be satisfied that that, in and of itself, is what we want. But we also then have to determine, after having set that reporting framework, what are we going to require the Civil Service system to be able to provide detailed information and the Audit Office to audit.

Madam Speaker, I believe as a Legislative Assembly, as the Honourable First Elected Member for George Town has said, and as the Honourable Premier has said, and certainly Mr. Luck and many others have said, we need to make a determination about what the budgeting system is going to look like and what documentation we want. And then we have to determine what reporting we are going to require of the various systems in government to be produced to underpin that budget cycle.

So, Madam Speaker, as it relates to the Public Management and Finance Law in its entirety, I think it is fair to say that we would all agree that the change to an accrual system of accounting was welcomed, versus the cash system of accounting. I believe we would all agree that budgeting on that basis was welcomed as well. I believe all of us would agree that we need to have annual financial statements, annual reports prepared along those lines that are also audited. So, I think that if we start from the standpoint of what do we have in common, what do all of us as legislators agree is needed for there to be a robust system of reporting for government to the Legislative Assembly via the Cabinet and also, therefore, to the public, those are key points that all of us, I think, can quickly agree on.

So, we need to ensure that any new system that comes here in terms of permanent legislative reform is built upon what we all can agree on very quickly. What I think we then need to look at is all of the other reporting requirements that the Public Management and Finance Law has and decide from a cost benefit analysis what it is that we want. Do we want half-yearly reporting, and what is the value? Do we want quarterly reporting, and what is the value? Do we want output reporting, and what is the value?

I think, certainly, the evidence is clearly before us that half-yearly, quarterly reporting, and output reporting needs a fundamental re-think—not just a temporary re-think that this Bill is promoting, and I am happy that Members are saying they are going to support.

I think, Madam Speaker, that if we start from a very simplistic view we should all be able to agree that the legislature and the public deserve to have unaudited accounts, not necessarily with notes, but unaudited financial statements provided on a more regular basis. If you look at very large companies, for example, in many jurisdictions, even those that are regulated by agencies like the SEC [US Securities Exchange Commission], what you will find is that on an interim basis, other than their annual set of audited financial statements, those agencies are allowed to produce interim unaudited results.

The fact of the matter is that if the financial staff gets it right, the odds of there being major adjustments are usually low (if you have qualified people carrying out the day to day accounting for an agency).

And the same is the case for CIG. So I think all of us would probably agree that not even from an agency, ministry or portfolio standpoint that we probably would want at least, say, on a half-yearly basis, to have unaudited results produced and gazetted, not necessarily with notes to the financial statements. That is not going to be necessarily cumbersome. But what it does is force all of the accounting staff in government to keep their books and records up to date because they know they are going to have to produce what we would call “management accounts.”

If we have a creature like that enshrined in legislation, that then gets us to the point that if you have a robust internal audit system, where internal audit is at least coming around to all of the various agencies and carrying out its function, then Government should be poised very quickly after year end to be able to close its books and be ready for the external auditors, the Audit Office, to come in and carry out their audit.

Where we may have some debate is around the agencies of government. So what reporting requirements will we have for each individual ministry and portfolio? Certainly, as this current legislature envisions, I think we would all agree that at a minimum we certainly will want to have their books and records audited because they do form what is rolled up to the entire public sector. Whether or not we want any interim reporting for them for the public is a matter of debate. And again, we need to start looking at what is the cost-benefit and what is it that we really are aiming to do.

I think legislators, Cabinet, and the public, want timely information so that people can actually keep up with the activities of government. I do not know that there are a lot of people out there who are necessarily going to find value and have a huge demand and interest in the various agencies of government, because just by how a new government puts together the changes of government and portfolios, there is no term by term, and perhaps even year by year, comparatives, depending on what happens within a particular Cabinet.

For example, the Ministry for which I have constitutional responsibility has a completely different look than it did four years ago, because it does not have “youth” and it doesn’t have “sports.” It does not have “culture.” So the comparatives quickly go away when you try to compare them year on year, term on term. But one thing that will always remain the same is the entire public sector. That will remain static.

So, my personal view would be that, yes, we do need to have those audited annually, as is proposed by the legislation. But I do not think we necessarily need to have any sort of interim reporting for them, or for any other tentacles and agencies that make up the entire public sector, save for you.

What would be useful, I believe, on that interim basis, if there are some other areas of government that are discreet that do not change, things like our government owned companies . . . Cayman Airways will always be Cayman Airways; the Port Authority is always going to be the Port Authority; and the Water Authority down the line. And most of those agencies already do a good job of reporting to their boards of directors the same information we are talking about.

In fact, most, if not all of them, already have a robust system of internal reporting where they report even on a monthly basis management accounts. So there would not necessarily be any huge additional strain to also have their results reported on an interim basis. You wouldn't even have to start talking about cost benefit. You wouldn't have to start worrying that if we as legislators make a particular demand what that will cost the entity, because that is what we all have to bear in mind.

We have to bear in mind that whatever we put in legislation, there is that potential to enhance an additional cost. And we have to be very, very clear in our minds that anything we change, anything we do, we are not going to incur costs of X when the value to us, to Cabinet and to the public, just isn't there. Because then what are we doing? We are wasting public funds indirectly by introducing legislation that has requirements that are not going to serve the intended purpose.

That is certainly my opinion, long term, for output reporting. I do not have an issue with continuing to do the reporting in an unaudited fashion as the ongoing activities of the agencies. I think there are areas for us to even improve and streamline that. Perhaps we need to think carefully about how we are measuring real outcomes of government versus just what people are doing.

In other words, to go back to the example of yes, you could have 2,000 hours of foot patrols by RCIPS. But is crime detection enhanced or not? Because, ultimately, that is what the public cares about. The public cares about whether or not we are getting better policing—not that you are doing more. Doing more does not mean you are being more effective. And that, Madam Speaker, is another key point for us as legislators that we must be clear in our minds about.

How is it that we are going to use legislation to try to hold people to account? I want to ensure that my colleagues and all of us clearly understand that a key component, a key principle behind this legislation in the first place was to enhance accountability. Right? It was not just about financial reporting. It was not just about producing reports for the sake of [producing a report]. There was that frustration for us as legislators around, you know, going through the motions of budgets and budget cycles, but were we putting in place the tools that were allowing the Legislative As-

sembly, that were allowing Cabinet, to have clear, transparent and efficient ways to hold the civil servants—who are charged with delivering on the outputs, therefore producing positive outcomes for the public . . . were we having tools that could keep them accountable?

So that cannot be lost in what we do. We must ensure that in everything we do, in every recommendation that we accept, that that principle is at the back of our minds and we are keeping a clear focus on accountability and how we can drill down and produce accountability and get accountability.

Madam Speaker, if I could just address very quickly two points that the honourable First Elected Member for George Town made, which are very important points. The first is his question as to this Bill is saying that we are going to start from 1 July. In other words, the 2008/09 year as the first year they would have an audit. And given the fact that the Auditor General has identified one of the key weaknesses and key areas for which he has had to disclaim opinions thus far has been the absence of an up to date fixed asset register.

Madam Speaker, obviously we are now in 2011. There is no way to go back in time to value fixed assets as at June 30, 2009. Time has passed. You have to do your valuation before or right near year end. So, that is going to be an issue for 2009, 2010 and 2011. And I agree with him. One of the things that we as Cabinet need to do is engage the relevant ministry and all of our CFOs about the exercise of updating our asset register, because until we do, at a minimum we are going to continue to have the Audit Office qualify our audit opinions.

Ultimately, what we have to acknowledge is that this is quite an issue that we collectively have to unpick. What I think we have to acknowledge and admit is that in the interim we are not going to go from disclaimer all the way to unqualified in one fell swoop. That is just not going to happen. We have to be clear about that; we will continue to receive qualified audit opinions. But that is a step better than disclaimer of opinion, which means you can't even gather audit evidence to form any opinion.

So, we have to be up front as a Legislative Assembly to the public so that there is no expectation and so someone is not kicking up any hay in the next couple of weeks or months saying why are we having qualified opinions. We are going to have qualified opinions, plain and simple. The asset register is not up to date. It is not up to date for 2009; it is not up to date for 2010. So we will, at a minimum, get qualified opinions. And even 2011. We are going to have those three years with qualified opinions. But at least we will have them audited.

The other key feature that has not been mentioned is the provision in this Bill where the Auditor General in consultation with the Financial Secretary

and the Chief Officer of any Ministry is still going to perform audit procedures in any area that he deems necessary. So even in the years in which we are waiving the audit requirements, he will still audit those high risk areas. And that is crucially important to us as legislators to the Cabinet and to the public. We need to be very clear in our discourse with our public about that point. It is not like we are just throwing all those years away and nothing is going to happen. So we still will have audit activity. The public still will have access to the Auditor General's reports on those areas which will be crucially important.

Now, on the latter point that was made as it relates to [clauses] 4 and 7 of the Bill, I think the key point for us to remember is that [clause] 4 seeks to amend section 29 of the principal Law. And section 29 of the principal Law speaks to all of the reporting requirements around a Government's Annual Report. Where [clause] 7 deals with section 44, which is dealing with the ministry or portfolio annual report, if you look carefully at section 44(4), and with your permission, Madam Speaker, I would read: **"A ministry or portfolio shall prepare a statement reporting all executive financial transactions administered by the ministry or portfolio and submit this to the Auditor General for auditing at the same time as it provides the financial statements for audit in accordance with subsection (3)."**

So, I go back to subsection (3), **"The statement of outputs delivered and the financial statements referred to in subsection (2)(a) and (e) shall be prepared within two months of the end of the financial year and submitted to the Auditor General for auditing, and the Auditor General shall express an opinion within two months of receipt of those financial statements."**

What the Law always envisioned was what I like to call a natural cascade for CIG. So, an agency to the ministry or portfolio needed to have its books and records up and open for audit before the entire public sector was ready. And the formula, as I always understood it, was two plus two, so that at the date that you submit your entire public sector accounts you would have already audited the agencies.

Within two months each agency closes its books, the Auditor General audits them within two months (which is month four), and at month four, as is required under [section] 29(3), you are then submitting your entire public sector, which he then has one further additional month to opine an audit. And in theory, he only needs that one month because he has already audited everything else, and what he is now really looking at is the consolidation to ensure the consolidation is correct. So I hope that that explains and clarifies why that piece is still in there.

Madam Speaker, I believe that this goes a long way to addressing where we are, what we need to do to move forward. But, as has been said by the

Honourable Premier, not only today but in many other fora, and what has been said thus far by the Opposition, we all have to agree that this is but the beginning. So we are, as Cabinet, committed to ensuring that many of the sensible recommendations in the Luck report will form part of the way forward. We are committed to ensuring that we do have sensible reform of the Public Management and Finance Law to have a sensible reporting requirement for CIG.

I hope and I pray that Members do not have themselves artificially married to what was the theory behind the original Public Management and Finance Law, because I can say that if anyone is, you had better be prepared to come to Finance Committee and give the accounting staff across CIG many, many, many more bodies to carry out these functions and to vote significant more sums to the Audit Office.

I personally do not believe that that is good value for public money. We have many other services that we need to deliver to this country and to its people than investing more in administrative function that is not going to get us any real value that is going to be of benefit. Ultimately we have to remember that we have been put here to make those sensible management decisions. As I said when I began, hopefully we can continue to keep this above the cut and thrust of political rhetoric.

Now, Madam Speaker, I think the other thing that we need to be able to separate is the fact that when it comes down to reporting the high level numbers of government . . . i.e., the surplus deficit, et cetera. Once the accounting staff has applied generally accepted accounting practice to their work—and that's the key. That's one of the key changes that was made in the first draft, because we wanted to ensure that we clarified that government and Cabinet was in no way saying, *Just book accounting entries whatever way you want, don't pay attention to rules*. So, those rules will still apply. No one is taking those rules out. The general ledger of central government still has to be accurate.

What we are saying is that with the passage of time it is simply not worth the effort to go through when the Audit Office is simply going to come behind and disclaim anyway. So why would we go through an exercise with a known outcome when we really need to be focusing on getting ourselves up to date, getting new legislation with a new framework so that we can really move this entire process forward?

So, these changes are in no way this Government trying to not have the public get access to and be privy to the knowledge about what surplus deficits look like, day's cash in-hand would have looked like, and those other things at the end of those fiscal years.

Madam Speaker, I hope that all Members will support this very important Bill. More importantly, I certainly hope that when the time comes, hopefully in

the very near future when we do look at the overall revamp of public sector reporting (because I think that is what we have to be clear about), public sector reporting will get that sort of similar support, and also, any of the new features that we need to put in place to ensure that we can drive on accountability and keep people to account in regard to what monies are voted down here in Legislative Assembly during the budget process.

So, Madam Speaker, I hope that that contribution assists. I thank you.

**The Speaker:** Thank you, Honourable Minister of Education.

Does any other Member wish to speak?  
[pause]

[Second] Elected Member for Bodden Town.

**Mr. Anthony S. Eden, Second Elected Member for Bodden Town:** Thank you, Madam Speaker.

First of all, I would like to thank the Minister of Finance and the Premier for bringing these initial amendments to the Public Management and Finance Law. This entire Legislative Assembly knows my feelings and my concerns from way back when the Premier, the First Official Member, the Deputy Premier and the First Elected Member for George Town were here with the initial inception of this Law.

I must say thanks to the edification that I am sure the public will receive as put forward by the Minister of Education. I hear what he can do once he retires. He should go back to the schools and help out there, being one of the few people in here who is a CPA (certified public accountant).

Madam Speaker, I seconded a motion earlier on as moved by the Member for North Side. We requested Government . . . and they have now brought amendments. As I said, I want to thank them, because this is the first step forward. I know that the Minister of Finance knows that this is just a small step.

As I look around the desks at this Legislative Assembly and partially on one part of yours, my big concern is the multiple thousands of pages that we have been printing. What that could save—not to mention the trees, Madam Speaker. I am hoping that as we go forward we can condense the information as to what we need, all for the sake of transparency and accountability.

The Minister of Education talked about the army of people who administer to this Public Management and Finance Law. [That] has been my biggest concern, the amount of people that my Government, and other Governments prior to that, that I was a part of, established to run the Public Management and Finance Law [and] what we are now having to pay. I am hoping that the next step we look at is the HR component that runs this mammoth of a finance

section called the Public Management and Finance Law.

I look forward to when the Public Service Management Law is also married into the Public Management and Finance Law. This was the original plan, to the best of my knowledge, and I look forward to when those two pieces of legislation will work together hand in hand.

We have come a long way in accountability. And it was good this morning to hear how we can all agree on things that are so very important to the development of these Islands as we go forward. I hope that we use this as a yardstick as we go forward in running these Islands. Thank you.

**The Speaker:** Thank you, Member for Bodden 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]

If not, I call on the Honourable Premier to wind up the debate. Is the winding up going to take a considerable time? Would you like to take the lunch break now?

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, I can speak and then we will be out in time for lunch.

**The Speaker:** Okay.

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, I want to start by thanking the First Elected Member for George Town who spoke for the Opposition and also my friend the [Second Elected] Member for Bodden Town who spoke on this Bill.

Let me address the timing matters that the First Elected Member for George Town raised. Madam Speaker, to answer the honourable Member's query, it is best to start with clause 7 of the Bill. Clause 7 deals with individual ministries' and portfolios' own financial statements. What clause 7 says is that, using the 2010 fiscal year as an example, each individual ministry and portfolio must produce its financial statements within two months after the end of the 2010/11 year, which would be two months from 30 June this year. So each ministry and portfolio must produce its own financial statements by 31 August and these must then be submitted to the Audit Office for auditing by that office.

Clause 7 would also cause the Audit Office to have two months to complete its examination and to issue its opinion by 31 October 2011 (this year).

Madam Speaker, these two months or timeframes are in the principal Law now. They are there now in the Law. So this Bill does not propose a change in these two monthly timeframes. The im-

portant explanatory point is that clause 7 deals with financial statements of individual financial statements.

Madam Speaker, clause 4 of the Bill deals with a completely different reference level. Clause 4 refers to the consolidated, or whole, of government; as opposed to clause 7, which deals with individual ministry and portfolio accounts. Clause 4 is in respect of the whole of government, or our consolidated accounts. Clause 4 would have the whole of government accounts produced by four months after the 30 June year end.

So most currently, government would produce consolidated accounts by 31 October this year, for instance. The Audit Office then has one further month to issue an opinion on the consolidated, or whole of government, accounts (that is, by 30 November this year in the just passed 2010/11 financial year that I have been using in my examples). Again, the timeframes in clause 4 of the Bill before us now are not different to what is contained in the present Law.

Madam Speaker, the Minister of Education also explained this timing matter. The First Elected Member for George Town himself hinted at the solution or answer to his query, that clauses 4 and 7 refer to different reference levels—individual ministry and portfolio accounts versus consolidated accounts of the government.

No doubt, Madam Speaker, I think everyone understands the complexity, the problem of the legislation that we have to deal with, and the system that we have to deal with. I know a lot of noise was made on the radio by the two Opposition Members (one on Tuesday and one on Wednesday) about this matter and what we should be doing and what we should not be doing. Never once (and I listened to some of it) did they say that the account period that the Auditor General was dealing with was their time of management. Never once! They always left it open.

What was left between 2005, as you will see, they talked about from July 2005. Anyway, when it was supposed to have been done nothing got done because that's when the problem started to kick in. And if you all had said that from the beginning, rather than trying to get up and make the people believe that I, as Minister of Finance, and this Government, are trying not to produce accounts. Why wouldn't we want to produce accounts, Madam Speaker?

This is the sort of rot that is permeating this country. It is their accounts that this whole thing relates to. It is bothersome at times when . . . I certainly can't listen to all of it. But, Madam Speaker, I do get updates on what is said. It would be so much better if the truth could be told and if they could wait until actual reports are dealt with.

That is a problem, Madam Speaker. It is a problem because . . . and in more instances when I know the media wants to grab everything quickly and then when it is found out that it is not done then they

are going to say, *Then what did you put it out for?* Yet they are calling for all these things quickly. Opposition, those Members who are so vociferous, in fact, do the same thing.

I will give you one good example, and I'm talking about giving information before the time. It was said on the radio that government is supposed to do all the infrastructure work in the economic city. Now, that was an early stage proposal in the discussion of the whole matter. When the final agreement was signed, all of that was removed because we would not agree. Yet they swore on the radio that that was so, and that I should apologise because I said they were not telling the truth.

They must wait, Madam Speaker, until a matter is finalised. Government has to study and examine all the parameters of any issue, in particular systems. And all and sundry should understand that. How can we put out a paper or recommendations for public consumption when we have not completed and decided on the recommendations?

So, Madam Speaker, this is not running Government back in the 1960s. Government today, because of all that we have . . . and you heard the Member for Bodden Town, the former Minister of Health, talking about the situation. I remember, when the day came, that he was one of them who questioned so much about what we were getting into.

It is very, very difficult for public servants who have to deal with these issues. And in the Keith Luck report you are going to see this. I mean, they will blame people and they will cuss me and they will blame me too. But in the complexities of the systems that we have when it all boils down . . . and I wish people would take the time to say that and to understand that.

Madam Speaker, I am glad that this did not draw all the fire that was being talked about on the radio shows. Thank you very much.

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

The question is that the Public Management and Finance (Amendment) Bill, 2011, be given a second reading.

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

**Ayes.**

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

**Agreed: The Public Management and Finance (Amendment) Bill, 2011, given a second reading.**

**The Speaker:** I think it is a good time to take the lunch break. We will come back and do the committees.

**Proceedings suspended at 12.48 pm****Proceedings resumed at 2.25 pm**

**The Speaker:** When we concluded the morning sitting, we were ready to begin the Committee on Bills. The House shall now go into Committee to consider the Bills.

**House in Committee at 2.26 pm****COMMITTEE ON BILLS**

**The Chairman:** Please be seated.

The House is now in Committee. With the leave of the House, may I assume that, as usual, we should authorise the Second Official Member to correct minor errors and suchlike in these Bills?

Would the Clerk please state the Bill and read the Clauses.

**Legal Practitioners (Amendment) Bill, 2011**

**The Clerk:** The Legal Practitioners (Amendment) Bill, 2011.

Clause 1	Short title
Clause 2	Repeal and substitution of section 15 of the Legal Practitioners Law (2010 Revision) – savings
Clause 3	Validation

**The Chairman:** The question is that clauses 1 through 3 do stand part of the Bill.

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

**Ayes.**

**The Chairman:** The Ayes have it.

**Agreed: Clauses 1 through 3 passed.**

**The Clerk:** A Bill for a Law to amend the Legal Practitioners Law (2010 Revision) as a consequence of the creation of the constitutional office of director of public prosecutions; and to make provision for incidental and connected matters.

**The Chairman:** The question is that the Title do stand part of the Bill.

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

**Ayes.**

**The Chairman:** The Ayes have it.

**Agreed: Title passed.**

**Public Management and Finance (Amendment) Bill, 2011**

**The Clerk:** The Public Management and Finance (Amendment) Bill, 2011.

Clause 1	Short title
Clause 2	Amendment of section 13 - emergency expenditure
Clause 3	Repeal of section 28 – government quarterly report
Clause 4	Amendment of section 29 - government annual report
Clause 5	Repeal of section 32 - duties of Minister of Finance
Clause 6	Repeal of section 43 – ministry or portfolio quarterly report

**The Chairman:** The question that clauses 1 through 6 do stand part of the Bill.

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

**Ayes.**

**The Chairman:** The Ayes have it.

**Agreed: Clauses 1 through 6 passed.**

**The Clerk:**

Clause 7	Amendment of section 44 - ministry of portfolio annual report
Clause 8	Repeal of section 51 - half-yearly report
Clause 9	Amendment of section 52 - statutory authority or government company annual report
Clause 10	Amendment of section 53 - exclusion of commercially sensitive matters
Clause 11	Amendment of section 54 - duties of ministry responsible for finance
Clause 12	Amendment of section 60 - powers and duties of Auditor General

**The Chairman:** The question is that clauses 7 through 12 do stand part of the Bill.

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

**Ayes.**

**The Chairman:** The Ayes have it.

**Agreed: Clauses 7 through 12 passed.**

**The Clerk:**

Clause 13	Amendment of section 78 - law not to affect the independence of Governor
-----------	--

- Clause 14 Amendment of Second Schedule - forecast financial statements
- Clause 15 Repeal of Third Schedule - quarterly financial statements
- Clause 16 Amendment of Fourth Schedule - annual financial statements
- Clause 17 Amendment of Fifth Schedule - ownership performance measures

**The Chairman:** The question is that clauses 13 through 17 do stand part of the Bill.

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

**Ayes.**

**The Chairman:** The Ayes have it.

**Agreed: Clauses 13 through 17 passed.**

**The Clerk:** A Bill for a Law to amend the Public Management and Finance Law (2010 Revision) to relax the volume, frequency and formatting of reporting; and to provide for incidental and connected purposes.

**The Chairman:** The question is that the Title do stand part of the Bill.

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

**Ayes.**

**The Chairman:** The Ayes have it.

**Agreed: Title passed.**

**The Chairman:** This now concludes proceedings in Committee. The question is that the Bills be reported to the House.

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

**Ayes.**

**The Chairman:** The Ayes have it.

**Agreed: The Legal Practitioners (Amendment) Bill, 2011 and the Public Management and Finance (Amendment) Bill, 2011, to be reported to the House.**

**The Chairman:** The House will now resume.

**House resumed at 2.40 pm**

**The Speaker:** Proceedings are now resumed, please be seated.

## REPORT ON BILLS

### Legal Practitioners (Amendment) Bill, 2011

**The Clerk:** The Legal Practitioners (Amendment) Bill, 2011.

**The Speaker:** Second Official Member.

**Hon. Samuel W. Bulgin, Second Official Member:** Thank you, Madam Speaker.

I beg to report that the Legal Practitioners (Amendment) Bill, 2011, was considered by a Committee of the whole House and passed without amendment.

**The Speaker:** The Bill is duly reported and set down for a third reading.

### Public Management and Finance (Amendment) Bill, 2011

**The Clerk:** The Public Management and Finance (Amendment) Bill, 2011.

**The Speaker:** Honourable Premier.

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

I have to report that a Bill entitled Public Management and Finance (Amendment) Bill, 2011, was examined in Committee of the whole House [and passed] without amendment.

**The Speaker:** The Bill is duly reported and is set down for a third reading.

## THIRD READINGS

### Suspension of Standing Order 47

**The Speaker:** Honourable Premier.

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, I move the suspension of Standing Order 47 suspended to enable the Bills to be given a third reading.

**The Speaker:** The question is that Standing Order 47 be suspended to allow the Bills to be read a third time.

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

**Ayes.**

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

**Agreed: Standing Order 47 suspended.**

### **Legal Practitioners (Amendment) Bill, 2011**

**The Clerk:** The Legal Practitioners (Amendment) Bill, 2011.

**The Speaker:** Honourable Second Official Member.

**Hon. Samuel W. Bulgin, Second Official Member:** Thank you, Madam Speaker.

I beg to move that the Legal Practitioners (Amendment) Bill, 2011, be given a third reading and passed.

**The Speaker:** The question is that a Bill shortly entitled the Legal Practitioners (Amendment) Bill, 2011, be given a third reading and passed.

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

**Ayes.**

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

**Agreed: The Legal Practitioners (Amendment) Bill, 2011, given a third reading and passed.**

### **Public Management and Finance (Amendment) Bill, 2011**

**The Clerk:** The Public Management and Finance (Amendment) Bill, 2011.

**The Speaker:** Honourable Premier.

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

I beg to move that The Public Management and Finance (Amendment) Bill, 2011, be given a third reading and passed.

**The Speaker:** The question is that The Public Management and Finance (Amendment) Bill, 2011, be given a third reading and passed.

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

**Ayes.**

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

**Agreed: The Public Management and Finance (Amendment) Bill, 2011, given a third reading and passed.**

## **GOVERNMENT BUSINESS**

### **MOTIONS**

### **Government Motion No. 1/2011-12—Appointment of Membership of the Standing Public Accounts Committee**

**The Speaker:** Honourable Premier, the Honourable Minister of Finance, Tourism and Development.

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

I beg to move Government Motion No. 1 of 2011/12, standing in my name, and which reads as follows:

**BE IT RESOLVED THAT in accordance with the provisions of Standing Order 80(4), this Honourable House accepts the resignation of Mr. D. Ezzard Miller, JP, MLA from the Standing Public Accounts Committee and appoints Mr. D. Kurt Tibbetts, OBE, JP, MLA as a member to the Committee and appoints Mr. Moses I. Kirkconnell, JP, MLA as Chairman.**

**The Speaker:** [The motion has been duly moved.] Does the Honourable Premier wish to speak thereto?

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, the Motion is self-explanatory. I do not think I need to say anything, Madam Speaker, otherwise than to say that this was a recommendation as was given by the Opposition and we have accepted that nomination from them. The Motion speaks to it, therefore I do not see a process for nomination and I do not need to say any more than that. The Motion is self-explanatory.

**The Speaker:** Well, I will put the question to the vote.

**BE IT RESOLVED THAT in accordance with the provisions of Standing Order 80(4), this Honourable House accepts the resignation of Mr. D. Ezzard Miller, JP, MLA from the Standing Public Accounts Committee and appoints Mr. D. Kurt Tibbetts, OBE, JP, MLA as a member to the Committee and appoints Mr. Moses I. Kirkconnell, JP, MLA as Chairman.**

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

**Ayes.**

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

**Agreed: Government Motion No. 1/2011-12 passed.**

**The Speaker:** I have given permission for statements to be given that were not read this morning.

Honourable Premier, would you like to proceed please?

## STATEMENTS BY HONOURABLE MEMBERS AND MINISTERS OF THE CABINET

### Nation-Building Programme: Scope and Purposes

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, I have spoken publicly, mostly from the Floor of this honourable House, on my Government's awareness of the keen need for nation-building; and our correspondingly firm resolve to take progressive steps to address these needs. Even as we move towards full understanding of the depth and breadth of our nation-building needs, however, we acknowledge the urgency to fully spell out the scope and purposes of our actions in this area.

The concept of nation building is not a new one, as I started this many years ago. I first entered this through the Education Council, at the time, through assistance given to young Caymanians who wished to further their education but did not have the financial means to do so, and those who could not qualify, through the Government's Education Council. Although there was no title given to it at that time, this was the start of what we now call the Young Nation Builders Programme.

Madam Speaker, my most recent statement on this matter was one made to the Finance Committee during consideration of the 2011/12 Budget. I noted that the relevant funds were utilised for a number of purposes, including:

- sponsorship of a perpetual Premier's Shield at the senior local Spelling Bee; spelling is a key part of literacy, and of literary skills, and hence a powerful, life-long tool for learning;
- sponsorship to keep alive local heritage in the form of cat-boat building and racing (\$25,000)
- grants – to refurbish a well-known private museum (\$55,000);
- supporting the Pines extension and re-development (\$750,000);
- for a programme to nurture musical and performance talent (\$60,000).

On that occasion, I gave a bit more detail on the support given by way of scholarship awards to young people with promise as Young Nation-Builders. I also elaborated a bit on grants given to churches, noting the need to facilitate their delivery of programmes and outreach to young people, but also taking cognisance of their role in public safety, that there is good value for money to be had in enabling churches to enhance their hurricane shelter capability. Even with these efforts, more is needed with respect to the provision of hurricane shelters, as I have noted before in this honourable House.

Perhaps the fundamental justification for supporting the churches, however, may be more readily grasped if we ask ourselves this: *What would our society have been like? What, in today's pressured realities would it be like, were it not for our churches? Where else would we get the enduring ethical guidance that our churches continue to urge upon us?*

The value of infrastructural and other support provided to commercial interests in this country far outstrips the grants to our churches.

To date we have provided grants of approximately \$4.1 million to about 19 churches, impacting from West Bay to Cayman Brac, to complete and extend facilities, to augment outreach work and services such as the much-needed After-School Programmes, to build new, and enhance existing structures as hurricane shelters.

Madam Speaker, I urge the Members of this honourable House to consider beyond the short-term gains they may make by seeking to heap ridicule on our Nation-Building efforts, by seeking to tear it down through speculation and innuendo. I urge them to be mindful of where we have come from, and where we might end up if we're not careful.

It is true that we have kept a solid core in the life of our community. Most adults, and most young persons, live reasonably well-ordered lives, and maintain aspirations for betterment. This is most remarkable, bearing in mind the rapid growth and changes we have experienced in such a short time. Life as known to people of our generation is hardly traceable now.

These pressures continue. Stresses continue. The consequences of wrong choices taken in the first flush of deceptively attractive lifestyles, because of the burning of some 'real money' in some of our pockets, the consequences now haunt individuals, families, and neighbourhoods, in physical, emotional, and psychological illnesses. There is no credible way to deny the reality that as leaders, it is our *duty* to put in place the ways and means to nurture the values and the skills, as well as to build the institutions that are needed to create a strong nation. This is how we must prove our stewardship.

Recently, I shared with the Chamber of Commerce Leadership Cayman workshop that we have a special problem now of coping with the impacts of deep global recession, having inherited a long build-up of expectations. In our small island state, with limited natural resources and increasingly competitive—not to say hostile—market conditions, we must find solutions, discover possibilities, and create opportunities.

Fortunately, we are blessed to have a dynamic and forward-looking society. There are many more of us interested in contributing our resourcefulness, than there are those whose reason for living is to find some gossip to repeat, something to say bad about somebody. The large majority of well-meaning people

in these Islands will appreciate that there is a necessity for us to have a Young Nation-Builders Programme. They will consider that the \$380,000 we spent on scholarships issued under this programme up to the end of June this year, is money well spent.

These funds covered some 20 students, mostly at undergraduate level, whose studies ranged from music performance, special needs teaching, professional flight training, political science, human resources, culinary studies, accounts and business. And I must make special mention of one of our scholarship recipients who is pursuing a degree in Criminal Justice. Several more students have enrolled since, and the rates of progress so far have been commendable.

Madam speaker, I am pleased at the number of young men who are taking up this opportunity where they would not have had that chance because they did not have the A level or O levels, yet have capability, but cannot qualify in other areas. So, I am glad that we are doing that kind of nation building.

Madam Speaker, I have previously indicated that the scholarships awarded under this Programme require a new form of commitment from the recipients. They undertake to invest in development of their leadership abilities and skills, and to work in the community for the cause of nation building. The aim is to work with them, and to encourage their efforts, individually and in new and established associations, to preserve the good in our traditional culture, whilst nourishing individual growth, national identity, and institutional development, in an increasingly cosmopolitan world.

This fund has also been used to assist various other community enriching and nation building projects and activities. Some of these include:

- \$10,000.00 given to the Under 19 Girls Football Team;
- \$35,000.00 to the North Side District Council;
- \$65,000.00 for hurricane shutters for 13 elderly and needy Caymanians who otherwise would not have gotten it, but have that much more peace of mind;
- \$75,000.00 for the Cayman National Cultural Foundation.

We have also settled arrears incurred under the previous Administration such as: \$365 [sic] to cover arrears on the Matrix contract, \$17,000.00 settlement of a longstanding Planning Appeals Tribunal case.

Madam Speaker, I am proud to be associated with such an effort to work with and through our young people, and with a rich variety of institutions striving for the betterment of the community. I wish them, and all who will lend them support and guidance, God's richest blessings.

Our scholarship programme is just getting off the ground, but as early as next year this time it is my hope and expectation that the Young Nation-Builders will begin to be visible in this community, as an attrac-

tive force for good. Madam Speaker, I am pushing them to not just get a first degree or a master's degree, but go on for their doctorate. That's what I want to see in this nation-building programme. That's where the next generation of community leaders, public sector leaders, deputy governors and chief officers . . . A good take is to see what has obtained in Singapore in this sort of effort, how they target specific areas and target specific children who have a capability. This is what we must do!

And then I get criticised for it because they say, *Well it shouldn't be with [you]*. Well why not with me, Madam Speaker? Why not? Is this a social services aspect? They can't qualify in other areas of education. Why not? I have the interest. I had it before. I still have it and I will be determined that those young boys and young girls who cannot qualify elsewhere will have that opportunity. And they might not even go . . . and I am saying this off of the statement, Madam Speaker. But if they cannot qualify to get to the University of Liverpool they might qualify for a lower institution and then gain the knowledge there and then move up to a better and more recognised institution.

Thank you, Madam Speaker.

#### Short Questions

[Standing Order 30(2)]

**The Speaker:** Elected Member for East End.

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

Madam Speaker, in accordance with Standing Order 30(2), I beg to ask your permission to allow me to ask the Premier a few short questions please.

**The Speaker:** Yes, you may proceed.

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

Madam Speaker, the Premier has said in his statement that out of the Nation Building Fund, and I quote, "We have also settled arrears incurred under the previous Administration such as" (this says \$365,000.00, but he said \$365 when he said it) "to cover arrears on the Matrix contract . . ."

Madam Speaker, I wonder if the Premier can explain how those arrears were arrived at by the previous Administration.

**The Speaker:** Honourable Premier.

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, I thought I said \$365,000 because that is what it is.

Madam Speaker, I am sure the Member is being facetious because he ought to know what the Matrix contract was and the many people who lost

money. And this says “arrears,” but actually people who lost money when the Matrix contractors went out and these people were owed and the work was done and Government had received money, but these people were left holding the bag. And we took it as a policy—we said we would in our campaign—to clear up that sort of what was left outstanding, what was not paid, what those people were jilted. Use whatever words you want to use.

But we believe it was the right thing to do and that is what we did.

**The Speaker:** Elected Member for East End.

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

Madam Speaker, my question was—and the Premier obviously did not answer it—Where did these arrears come from on behalf of the Government? Because what he is saying is that these small contractors were jilted by someone else. That is what he just said. But in his statement he is saying that it is the Government who incurred those arrears.

Now, I don’t know where this \$365,000 came from because I was the Minister at the time. And the Matrix contract . . . the Government did not incur any arrears with anyone. We did not have a contract with anyone other than Matrix.

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

**Mr. V. Arden McLean, Elected Member for East End:** So, the Premier needs to explain to us where and how these arrears were arrived at.

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, I didn’t think the Member wanted me to go into this, because this has been explained before in a full statement here to this House when we decided we were going to do so and actually when we did so.

Now, Madam Speaker, what arrears? The Member clearly says . . . but we believe that the Government had a profound obligation to ensure that one of their contractors who hired small Caymanian companies to do work for them, and jilted them and left them high and dry—some of them going broke because of the work they did for the company that Government hired, and Government was responsible for. And so, we believed that we had an obligation to ensure . . . and we couldn’t get it from that ricky-ticky company that must have been put together just for that bid.

That’s what happened there. So we took the responsibility. It is \$365,000 well spent!

**Mr. V. Arden McLean, Elected Member for East End:** Madam Speaker, just one last question. I wonder if the Premier can tell us if his legal advice on this

was to that effect, that it was Government’s responsibility.

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, what I can tell you was legal about this is that we decided as a Government policy in the Cabinet, we put it in the Budget and we paid it out. That is my obligation to this country. And we did not hide it. We came out and made a public statement. We handed the cheques out publicly. So that is our legal thing—it all went through Cabinet with the Attorney General in there. I am sure if anything was illegal about it he would have told us.

There was nothing illegal about this. What the Member needs to accept is that they were not so accommodating and caring about those small companies. Let’s say the Government made some money from a company that was put together just for that bid. There was no longstanding company or anything. And they walked out and left all of those Caymanian small companies, some of them who—

*[Inaudible interjection]*

**The Premier, Hon. W. McKeeva Bush:** Sorry?

*[Inaudible interjection]*

**The Premier, Hon. W. McKeeva Bush:** *[Addressing the interjection]* Yes, you might know something about them.

So, Madam Speaker, I am satisfied that we have done the legal thing and the right thing. Okay?

**The Speaker:** Okay.

Honourable Leader of the Opposition.

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Yes, Madam Speaker, I just have one short question unrelated to what my colleague asked of the Premier.

Madam Speaker, I wonder if the Premier can say whether or not what is contained in this statement represents a complete accounting for the monies which have been called or identified as part of the nation building programme.

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, this would have been for budgets up until June. This does not include the new budget, of course. We have probably 10 or 15 scholarship applications now, for instance. So this does not take up for the new budget yet; this was from the first two budgets that we’ve had.

This is all done through our finance person in the Ministry. Mr. Dilbert does all the administrative, and of course the administrative staff. They do all that administrative work. And the finance part of the Minis-

try takes care . . . and when I say finance, within the Premier's office, within the Ministry of Tourism, [there are] officers doing the finances. I have asked them to give me a full update as to what was paid and this is the amounts they tell me.

**The Speaker:** No further questions.

Honourable Premier, your other statement please.

**Mr. V. Arden McLean, Elected Member for East end:** Another one.

### **Memorandum of Understanding between Canadian Commercial Corporation and the Government of the Cayman Islands**

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

The Cayman Islands Government recognises the importance of economic development in priority sectors and has formed a strategic alliance with Canadian Commercial Corporation, the official international contracting agency of the Government of Canada, whose primary role is to facilitate trade with other nations through the provision of commercial solutions.

It is therefore envisaged that this mutually beneficial cooperation will stimulate stronger ties between our countries while allowing our Government access to Canadian expertise and capabilities.

Today, I am pleased to announce that the Cayman Islands Airports Authority has signed a non-binding Memorandum of Understanding with the Canadian Commercial Corporation to establish a framework for discussions in relation to the re-development of Owen Roberts International Airport on Grand Cayman and Gerrard-Smith International Airport on Cayman Brac.

The Corporation has been granted the exclusive right for a period of six months commencing August 1, 2011, and, subject to mutually agreed extensions, to conduct due diligence and develop a proposal for the construction and concession agreements in respect of the redevelopment of these airport projects.

As part of this MOU, the Corporation will utilise the services of Canadian Technical companies of which the financial and managerial capabilities have been subjected to due diligence by the Canadian Government. Caymanian Companies and labour will, of course, be utilised.

The Cayman Islands Government in conjunction with the Cayman Islands Airports Authority will now enter into the process and dialogue with the Canadian Commercial Corporation (that Canadian Government company), to facilitate the successful completion of negotiations that could result in the com-

mencement of the redevelopment of our two international airports in 2012.

### **Proposed re-naming of Cayman Brac Airport and Government Administration Building**

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, I thank you for your indulgence in this. This morning on the nation-building effort and the naming of places after Caymanians who had something, actually, to do with it, and who have given worthwhile service to the country, I forgot to say that I am considering the Government [Administration] Building in Cayman Brac, and the Cayman Brac airport, because I feel strong—and this is just my view, it is not Cabinet's—I feel strong that the Cayman Brac airport should be named after the late Captain Charles Kirkconnell, as I know what he went through with to build that as it is today. And that is going to be a proposal that I do put. I hope it is accepted.

There are, of course, notable Cayman Brackers who worked to see that new administration building. For instance, the Aston Ruddy Centre shows the interest and the work that Mr. Ruddy did for Cayman Brac. There are other administrators and other civil servants who worked hard on that Cayman Brac admin building and should be named. And I will be discussing this with both representatives in the future.

I have had some discussions along those lines with the Minister, the Deputy Premier. But I will be taking it up further with her and the [First Elected] Member for Cayman Brac.

Thank you, kindly.

### **Short Questions**

*[Standing Order 30(2)]*

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

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Thank you, Madam Speaker.

Madam Speaker, a few short questions to the Premier on his most recent statement.

Madam Speaker the Premier has previously said that China Harbour Engineering Limited would be involved in the redevelopment of the Owen Roberts International Airport on Grand Cayman. I wonder if he could tell us what has happened in relation to all of that and whether this MOU now supersedes whatever arrangement had been reached with China Harbour Engineering previously.

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, I did not tell this House or the country that we had any agreement with China Harbour. I said they have interest for the airport. I didn't say that we had any agreement. Obviously we have agreement now, and everybody knows what the company is.

**The Speaker:** Leader of the Opposition

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Thank you.

Might I ask the Premier, then, when the MOU will be made public?

**The Speaker:** Honourable Premier.

**The Premier, Hon. W. McKeever Bush:** I would think, Madam Speaker, this being signed by the Airports Authority, I would think when they are ready this would be made public.

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Madam Speaker, I am not sure that takes us much further. Ready for what?

There is an MOU. It has been signed. There has been a public announcement about it. So I would be grateful if the Premier could indicate when it is that this can become a public document.

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, as I said, this has been signed by the Airports Authority. I am not a member of the Authority; I am just a humble Minister.

*[laughter]*

**The Premier, Hon. W. McKeever Bush:** And, Madam Speaker, I said when they are ready. I have already said that Members and people ought to wait until Government is ready to make something public before they go pressuring so they can go off half-cocked.

*[inaudible interjection]*

**The Premier, Hon. W. McKeever Bush:** In due course it will, I suspect, be made public—if such a commercial document can be made public.

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

If the business of the House is completed at this point, I would call for a motion for the adjournment.

## ADJOURNMENT

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, I expect that the House will come back in meeting on the 7<sup>th</sup> of September, or thereabouts. But just in case emergencies arise, and this is the time of the year as it stands, I move the adjournment of this honourable House sine die.

**The Speaker:** The question is that this honourable House do adjourn sine die.

I shall put the question. All in favour please say Aye; those against, No.

**Ayes.**

**The Speaker:** The Ayes have it. The House is accordingly adjourned sine die.

**At 3.15 pm the House stood adjourned sine die.**