

**OFFICIAL HANSARD REPORT**  
**THURSDAY**  
**25 NOVEMBER 2010**  
**10.52 AM**  
*Sixth Sitting*

**The Speaker:** I will call on the Second Elected Member for Bodden Town to say Prayers.

**PRAYERS**

**Mr. Anthony S. Eden:** 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 announcements, but I do need to say something here this morning.

The reporting of this Legislative Assembly is not a right; it is a privilege that is granted by my office. It is granted under certain terms and conditions. When I have asked for something to be struck from the record of this House I expect the press to honour that

statement. Accordingly, I am going to provide all members of the press this morning with a copy of the Standing Orders and the Immunities and Privileges Law. Please pick them up at the counter downstairs and please familiarise yourselves with them because I am going to be taking very strong note of any future breaches of the rules of this House.

Thank you all very much.

**PRESENTATION OF PAPERS  
AND OF REPORTS**

**Strategic Policy Statement for the  
2011/12 Financial Year—"The Right Direction"**

**The Speaker:** Honourable Premier.

**The Premier, Hon. W. McKeeva Bush:** [Microphone not turned on] Thank you, Madam Speaker.

I beg to lay on the Table of this honourable House the Strategic Policy Statement of the Government of the Cayman Islands for the financial year ending 30 June 2012.

**The Speaker:** So ordered.

Does the Honourable Premier wish to speak thereto?

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, I reserve my comments until I move Government Motion No. 8.

**The Speaker:** Thank you.

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

**The Speaker:** There are no statements by Honourable Ministers and Members.

**OTHER BUSINESS**

**PRIVATE MEMBERS' MOTIONS**

**Private Member's Motion No. 7/2010-11  
Amendment of Standing Orders in Accordance  
with Cayman Islands Constitution Order 2009  
(Deferred)**

**The Speaker:** Third Elected Member for George Town.

**Mr. Alden M. McLaughlin, Jr.:** Thank you, Madam Speaker. Good morning.

I beg to move that Private Member's Motion No. 7/2010-11, standing in my name, be deferred to the next sitting of this House.

**The Speaker:** Thank you, [Third Elected] Member for George Town.

The question is that this Motion be [deferred] until the next sitting of this House.

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

**Ayes.**

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

**Agreed: Private Member's Motion No. 7/2010-11 deferred to the next sitting of the House.**

## GOVERNMENT BUSINESS

### MOTIONS

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

**The Speaker:** Honourable Premier.

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

I move the suspension of Standing Order 24(5) to enable a Government Motion to be dealt with during this Meeting.

**The Speaker:** The question is that Standing Order 24(5) be suspended to enable a Government Motion to be dealt with during this Meeting.

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

**Ayes.**

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

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

### GOVERNMENT MOTIONS

#### Government Motion No. 8/2010-11—Strategic Policy Statement for the 2011/12 Financial Year

**The Speaker:** Honourable Premier.

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, I move Government Motion No. 8/2010-11,

the Strategic Policy Statement for the 2011/12 financial year, which states:

**WHEREAS section 23(1) of the Public Management and Finance Law (2005 Revision) states that a "strategic policy statement for the next financial year shall be presented to the Legislative Assembly by a member of the Governor in Cabinet appointed by the Governor in Cabinet to do so on their behalf for approval within two months, and if the Legislative Assembly has not within that period resolved to approve, amend or reject the statement it shall be deemed to be approved";**

**AND WHEREAS the Government has now prepared and presented a strategic policy statement for the 2011/12 financial year;**

**BE IT NOW THEREFORE RESOLVED that the Legislative Assembly approves the policy priorities, aggregate financial targets and financial allocations set out in the 2011/12 Strategic Policy Statement as the indicative parameters on which the 2011/12 Budget is to be formulated.**

**The Speaker:** Madam Clerk, may I have a copy of that Motion please?

The Motion is open for debate. Does the Honourable Minister wish to speak thereto?

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, in accordance with section 23 of the Public Management and Finance Law (PMFL), the Government is obligated to lay in this honourable House the Strategic Policy Statement (SPS) for the coming fiscal year 2011/2012 which begins on July 1, 2011.

In fulfillment of my duty to this honourable House as Minister of Finance, I present the SPS for the deliberation and approval, through the Government Motion to Honourable Members here. It is intended that the contents thereof will form the basis of the preparation of the budget for the forthcoming fiscal year and lay the foundation for the projections of the two subsequent fiscal years 2012/2013 and 2013/2014.

The broad outcomes, sectoral outcomes, are creating a vibrant yet stable and sustainable economy; setting the stage for success in the tourism industry; addressing crime and policing; developing a world class education system to foster growth and to benefit from development; improving healthcare; paving a better way forward for Cayman Brac and Little Cayman; developing our youth; strengthening families; restoring prudent fiscal management; ensuring success and participation of Caymanians in the financial services industry; supporting our Caymanian small businesses; preparing our labour market for future opportunities; improving the lives of the elderly and disabled; reducing substance abuse; empowering women; addressing energy and the environment; strengthening our infrastructure; preserving our culture and enhancing agriculture.

These broad outcomes, Madam Speaker, these goals indicate the Government's policy priorities and serve as a guide to how the Government allocates its resources.

The theme and title of my contribution to this Government Motion is "The Right Direction" and the emphasis is on the Government's strategies for overcoming the Islands' economic difficulties in the short-, medium- and long-term and being on the right direction for restoring sustainable economic growth.

**Overview of Fiscal Achievements:** I wish now, Madam Speaker, to set the environment for the Strategic Policy Statement within the recent fiscal achievements of my Government.

In its first full year of office, my Government has been able to reduce the unaudited budget deficit for the entire public sector to CI\$15 million, for the year ended 30<sup>th</sup> June 2010. This represents a whopping reduction of CI\$66 million from the corresponding figure of CI\$81 million for the year ended 30<sup>th</sup> June 2009 in the last Government.

We achieved a much-improved result and are heading in the right direction. This is a tremendously better result in our first year of management than the previous year. Madam Speaker, those on the other side of the House and the people in the country should judge us on the facts and hopefully without prejudice.

Furthermore, Madam Speaker, the performance represented a CI\$30 million improvement on the revised budget deficit done in April 2010 for the year ended 30<sup>th</sup> June 2010. I have already laid the sources of the improvement in this honourable House, but the figures are worthy of repetition:

1. The various categories of revenue have an overall \$10 million better than revised budget performance;
2. The categories of operating expenditure have an overall \$18 million less than revised budget expectation;
3. Extraordinary activity expenses were approximately \$1 million less than the revised budget expectation; and
4. The net loss performance of statutory authorities and Government-owned companies was approximately \$1 million less than the revised budget expected.

These four categories total the \$30 million improvement in the fiscal performance of the entire public sector. In simple terms, we have performed three times better than the revised budget expected. This is the kind of performance that will help us overcome the economic difficulties that we had to face left in the wake of the former government and we are giving ourselves the flexibility in our fiscal policy to take advantage of the prospects for economic improvement in 2011.

Moving to Government's current year that will end on 30<sup>th</sup> June 2011, for the first three months of this year (July to September 2010) the Government

continued its prudent management of Government's finances and at the end of this first quarter, achieved a modest surplus of approximately CI\$15.4 million. The budget expectation was that Government would have suffered a deficit of approximately CI\$6 million for the first quarter.

This better-than-budgeted result came about because Government's actual expenditures in the July to September 2010 quarter were CI\$18.5 million less than the budget anticipated. Madam Speaker, this is not an accident; it did not happen by chance. It was the result of deliberate and prudent action by Ministries and Portfolios and by honourable Ministers and Members of Cabinet and the departments of Government.

**International Policy Environment:** While the Government is expecting its finances to improve over the course of the three-year plan agreed with the Foreign and Commonwealth Office (FCO), it does not intend to rely only on growth in the international economies as the basis for growth in the Cayman Islands' economy.

The strategy for economies worldwide, which are fighting their way out of this awful recession, is to focus on rebalancing their internal and external financial positions. Growth has been sluggish in advanced countries but stronger in emerging and developing economies. Global activity is estimated to increase by 4.8 per cent in 2010 and 4.2 per cent in 2011, but certainly, Madam Speaker, downside risks prevail.

In developed economies in particular, growth rates are projected at 2.7 and 2.2 per cent in 2010 and 2011 respectively. Such low growth will therefore mean that unemployment in these economies will remain high. Many developed countries are also expected to increase taxes and cut spending by 1.25 per cent of their collective national incomes in 2011. This has been described as the largest synchronised fiscal tightening ever and there are fears that a cut-off this size in recovering economies presents a risk to the growth in worldwide economies. However, the International Monetary Fund (IMF) sees as highly unlikely a sharp global slowdown or even stagnation or contraction in the advanced economies.

The United States and the United Kingdom are two of the countries whose recovery is closely watched by the Caribbean. In line with the strategy put forward by many contemporary thinkers, the United Kingdom has begun a serious recovery programme attacking its rebalancing issues on both external and internal fronts. The United Kingdom is set for a choppy recovery period during the next few years as the country begins what will be a difficult rebalancing of that economy.

The Coalition Government in the United Kingdom has a tremendous and difficult time ahead of them. But from the looks of it, they are determined to attack it seriously. However, we all see the huge demonstrations in the United Kingdom because gov-

ernment finances were left in such a dangerous position.

Turning to the United States, the recovery so far has been weak due to sluggish personal consumption resulting from a sharp deterioration of household net worth. Unemployment in the US is high, at an estimated rate of 9.6 per cent. In addition, banks are trying to reduce their leverage and improve balance sheets and have developed a bias against consumer lending. Consumers are expected to experience high debt, fallen asset values and weak credit growth.

Predictions suggest that the US economy will recover very slowly, with growth weaker than during previous recoveries. Their Gross Domestic Product (GDP) is expected to reach 2.6 per cent in 2010 and 2.3 per cent in 2011. Unemployment will remain stubbornly high and inflation low at about 1.4 per cent in 2010 and one per cent in 2011.

**Domestic Policy Environment:** Madam Speaker, turning now to the domestic economy, I ask that we recall that in 2008, the then Leader of Government Business, the now Leader of the Opposition, on the advice of his elected Cabinet, in presenting the Strategic Policy Statement for 2009-2010 at the beginning of the economic recession, boldly declared that: **“We are basically faced with two choices. We can behave as helpless victims of the circumstances, hopelessly throw our hands in the air, and do nothing else. Alternatively, we can take bold and decisive action to minimize the impact of any fall-out.”**

Madam Speaker, I have already demonstrated that the bold and decisive action by the previous administration left the country's finances in a very perilous state, which we have had to clean up over the course of the last year. Afraid to take decisive steps because of the pending general election, the Government then opted for the path of least resistance and thus compounded the economic situation.

Madam Speaker, it is okay for developed countries with huge industries and millions of people to choose the formula put forward by the great British economist, John Maynard Keynes, of increasing government spending during a recession. But this is not necessarily wise for small developing economies with fixed exchange rates, no large natural resources, little manufacturing, a deteriorating revenue base and thus, limited capacity to borrow.

Indeed, Madam Speaker, the growth of the national debt during the last administration between 2005 and 2008 served to constrain our capacity to employ the Keynesian formula this time around. Given the evidence so far, we have made the right choices. We would leave the big spending to the big countries and act with fiscal prudence in the economic management of the Cayman Islands.

In his speech on the SPS for 2009-10 (which was delivered by the last government), the Second Elected Member for West Bay, now the Minister for Education, said: **“In this world, once you have a**

**free market economy . . . what is needed is a government that listens, gets the point, ensures that policies, legislation is crafted and quickly put in place when needed to assist meaningfully with the marketing of the jurisdiction and protection of jurisdiction's reputation.”** [2008/9 *Official Hansard Report*, page 659]

Madam Speaker, I told the Government in February 2008, and I quote from the *Hansards*, **“The capital projects proposed by this Government have not been accompanied with revenue sources to fund the recurrent expenditure to operate them. The annual budget will be increased to support these projects along with the debt servicing. . . .”**

**“Where will the money come from?”** [2007/8 *Official Hansard Report*, page 730]

I went on to say: **“. . . the biggest concern has to be revenue. The biggest concern adjunct to that has to be conditions internationally that affect us. They cannot get out of the fact that our revenue is declining. They cannot get out of that. Real estate is down, cargo is down and the latest figures last year are down. So, we have to be concerned.”** [*Ibid*, page 731]

I went on to say, **“And so I await to hear and to see the Government's illumination of how all of this will be put together without any new taxation coming on line, whether it is this budget or a new budget after this one being presented in May of this year, because we might not have reached the point at that time. But when you embark on it you are not going to be able to stop it. You will have to go forward. Even if you take out all of the glass that the new schools will have and make recurrent expenditure after it is built less, or even if you take out some of the things that are proposed for the new administration building, you will have to go ahead and the project will complete or the people of this country will pay.”** [*Ibid*, page 731] Where will the money come from?

Those statements in particular capture the essence of the more pragmatic approach that my Government is adopting. When we therefore show that we have the guts to put our fiscal house in order, the right signals are sent to stakeholders in the international centres such as Washington, New York and London. And even in the Asian centres and in Europe. This is part of our role in working hand in hand with the private sector to ensure our future prosperity.

Rest assured that my Government understands that the best strategy for achieving sustainable growth in the Cayman Islands' economy is to inspire the private sector to do what the private sector does best—create wealth and generate jobs.

As you may recall, the theme of my 2010/11 Budget Address was “Partnership for Recovery,” in which we suggested that there must be a new emphasis on the public/private sector partnerships to drive the economic recovery. We can say that the strength of our partnership with private sector is grow-

ing stronger with the establishment and further development of three important councils.

First, the Tourism Advisory Council was established to cover all segments of the tourism industry and to allow two-way communication and consultation; second, the Financial Services Council is addressing similar needs in the financial services industry; and third, the National Investment Council has taken the perspective of development (construction and real estate) as well as general commerce.

These three councils are an example of public-private partnerships involving leaders of industry and senior government officials. They are mechanisms to ensure effective dialogue between the public and private sectors, while allowing all stakeholders to have a voice in our recovery efforts.

Furthermore, to tie the ideas and recommendations of the three councils together, we have appointed a National Strategic Advisor to head a small group of senior civil servants to focus on the implementation of key economic stimulus measures.

Since its creation, the Stimulus Implementation Group has compiled and filtered over 250 suggestions and initiatives submitted by numerous committees and associations. They are now in the process of prioritising a list of measures which are targeted for implementation in the remainder of this fiscal year.

At the end of the proposed 90 days that I spoke about some weeks ago, I will be unveiling this stimulus programme, thereby charting the way through the recession and back on a path to economic prosperity.

In this regard, I must emphasise that it is important to demonstrate to our private sector partners, both local and international, that we are prepared to identify problems, prescribe solutions and oversee their implementation. In short, we will provide the leadership that sets this country on the right path and, given the evidence the country has seen to date, we believe we are heading in the right direction.

All of this type of planning though, Madam Speaker . . . because we first must plan and a plan has to take time (much more, in fact, than should really be sometimes) but in the end I will deliver the benefits to this country. If we follow those plans, this Government will deliver the goods.

**Growth Strategy:** Let me now shift my focus to the proposed strategy to encourage growth in the economy. In order to execute our overall strategy to achieve economic growth, after overcoming the recession, we have to recognise the potential danger of not correcting the country's fiscal strategy that was put in place by the last administration. The concept of rebalancing, which is at the heart of international economic recovery, is equally germane in the Caymanian context at this time, where internal rebalancing is a necessary prerequisite to paving the way for sustainable economic growth.

We first must put Government finances in a proper condition or else all else will fail if the Govern-

ment collapsed. This requires a plan that focuses on: (1) reform in the public sector; (2) limits on new borrowings—and God knows we cannot borrow any more money; (3) re-alignment of the existing revenue base; (4) reduction of operating expenditures and (5) consideration of the use of Private Finance Initiative (PFI) as an alternative source of funding.

The deficit-reduction policy stance for the fiscal year 2010/11 along with the shrinking population size would contribute to a continuing decline in our GDP in 2010, which is forecasted to be down by around 1.7 per cent. Gradual recovery starting in 2011 is premised on a strong rebound of tourism-related services, the start of new construction projects and a modest recovery of the financial services sector.

According to the Economics and Statistics Office (ESO), the country's real Gross Domestic Product continued to decline in 2010/11, but a return to moderate growth is expected in 2011/12 to 2013/14, ranging from 1.4 per cent to 2.1 per cent per annum.

Given the size of the financial services sector, any return to moderate growth in the medium term must recognise its role as the major player in the country's national income; its contribution to employment and the fact that 60 per cent of the employees are Caymanians—60 per cent according to the most recent study. This sector also contributes around 40 per cent of the Government's revenue.

Madam Speaker, the Cayman Islands, like other leading International Financial Centres, has to take stock of where it is positioned especially in the wake of the recent global financial crisis and these Islands being blacklisted. In this regard, my Government is of the view that we need to proceed strategically and in a proactive manner to move the Cayman Islands from simply being regarded as an offshore financial centre, or worse, a "tax haven," to being a vibrant and sustainable international financial centre.

This not only involves combating the stereotypical misperceptions about the Cayman Islands from the outside, but the bad news from the inside. It also involves putting in place important building blocks to take our financial industry to an even higher level than it currently is. The strategy in the financial services sector is therefore to continue to build the reputation of the jurisdiction by enhancing the regulatory framework, expanding the Cayman brand while seeking to increase the financial and economic benefits from the sector.

In this regard, it is a step in the right direction for these Islands to have been named Top Specialised Financial Centre for the second consecutive year by the *Banker* for the 2010 IFC ranking in September of this year. Furthermore the OECD Global Forum Peer Review Report, which was also released in September, reflected high levels of transparency within Cayman's banking sector and access to information by the competent authority.

Apart from signing its twentieth Tax Information Exchange Agreement (TIEA) with Mexico in Au-

gust, several amendments to laws to improve the country's regulatory environment were passed in the last few months.

Additionally, in the case of the Insurance Law, 2010, two new categories of insurer licenses were added for special purpose vehicles and reinsurers. It is expected that these changes will bring about more opportunities to attract re-insurance business and to grow this segment of the industry.

Madam Speaker, in spite of much dangerous rhetoric by the Opposition about the Government causing the country to lose business, the opposite is, in fact, the truth. Although we have been weathering the global economic decline, the Cayman Islands still demonstrates its resilience through such challenging times. Our business environment has seen a steady flow of company registrations and licensing activity over the past year.

For the period 1 October 2009 to 30 September 2010, the General Registry statistics show that there was an increase of 1 per cent in registered companies and a 9.8 per cent increase in partnerships registered.

Focusing specifically on new registrations, new company registrations have increased by approximately 6 per cent, while new partnership registrations have increased by approximately 18.5 per cent over the same period in 2009.

The Cayman Islands Monetary Authority reports a 14 per cent increase in money services businesses from December 2009 to September 2010. As well, there was an increase in the number of unrestricted trusts (4.1 per cent), registered private trust companies (73.9 per cent), company managers & corporate services providers (2.4 per cent), number of insurance managers (26.9 per cent) and mutual funds registered during that period at about 100 per week, with some cancelations ranging about 40 per week because those companies had completed what they were set up to do for such reasons.

We are beginning to see the fruits of our efforts and the hard work put in to create confidence in our financial industry. The many meetings, discussions with companies, with regulatory institutions, with the United Kingdom, all these overseas, and the efforts of our partners in the private sector locally are causing this renewed confidence.

To further build on these trends and accomplishments, I have asked the Chairman of the Cayman Islands Monetary Authority, the Honourable George McCarthy, to lead a team of professionals to develop recommendations on broad strategic objectives for the industry. The report of this committee, which I recently received (this work has been ongoing for some time), outlines the following strategic objectives:

1. Enhance the integrity and reputation of the Cayman Islands as a financial centre.
2. Attract more physical presence from international business in the financial services industry operating from the Cayman Islands.

3. Pro-actively seek access to new markets in Asia (especially in China and India) and in South America (especially Brazil) while maintaining access to the traditional existing market primarily in North America and Europe.

4. Enhance the linkages between the Cayman Islands financial services industry and the educational system to ensure maximum benefit to the people of the Cayman Islands and the investors and businesses in the industry.

The Government agrees with these four suggested strategic directions which have been put forward by that committee and we will work closely with the industry through the Financial Services Council (which is headed up by Mr. Winston Connolly) and other private sector bodies to vigorously pursue these strategic objectives over the next few years.

In pursuit of these objectives, a comprehensive international marketing road show will be developed in conjunction with our private sector partners. Our findings from recent visits to Asia indicate that we are well behind our competitors in terms of promoting our jurisdiction.

How can we attract the employment-generating businesses that our Islands need for recovery if we do not actively pursue appropriate business and investors? What the experience has showed us and should teach us all is that we cannot, as a Government, just be the regulator.

We have to be co-partners with the financial industry and other businesses, but speaking specifically to the financial industry. We have to be co-partners. We need to be at the table—wherever that is—when we are required. We have to have the offices in the various jurisdictions so that people are on spot. Not for the private sector, because they, to an extent, will care for themselves; but to care from the Government's perspective, for our business.

That is why we opened an office in Hong Kong. That is why we will open one in China itself. And that is why we put forward our lawyers in Washington, Sibley Austin, to work on our behalf. Not just to grab an issue when that pops up on the headlines of the *Washington Post* or in the New York papers or on MSNBC, but to do it before something hits us. We have someone on the ground to say, Ah! *That is not correct. This is the true position of the Cayman Islands.*

So, Madam Speaker, we have seriously partnered with the private sector. The plan that I am talking about will be tabled and will be made public as best as it can in view of the fact that it is a country plan and practitioners in industry are about to discuss it among themselves now.

Turning the focus to business development in the tourism sector, we also see a need to improve these services. The marketing of the Cayman Islands' tourism product is strategic in emphasising product development, promotion and cost-effective pricing.

In terms of product development the two areas of sports and heritage tourism have been identified and a comprehensive re-launching of Cayman Islands' branding as a tourist destination has been started. To date, the establishment of sports tourism has been facilitated by the organisation of several events.

The Cayman Islands' branding is also being facilitated by improved cruise ship berthing facilities. This is happening with the expansion and renovation to the Royal Watler terminals for berthing four ships plus associated land-based facilities, in addition to the refurbishment of Spotts Pier. In the meantime, ongoing negotiations are taking place regarding the construction of a pier for cruise ship tenders and associated land-based facilities in the district of West Bay.

As well, the improved branding will continue with renovations to the Owen Roberts International Airport.

We also expect that tourism will get a major boost with the sinking of the warship *Kittiwake* to create a diving attraction scheduled for 5<sup>th</sup> December 2010. In addition, the Queen Elizabeth Botanic Park has been certified by the Green Global Certificate Program, making it a more enticing attraction.

There is also the development of Christian Heritage Park with the extension of Heroes' Square, the construction of the Bell Tower and provision for National Heroes' full statues or busts. That is intended to be utilised by redeveloping the Legislative building grounds and property for the Tower Building.

Some people have asked that it be sold. The Tower Building property will not be sold. It is going to incorporate what I have just mentioned. It will incorporate the Bell Tower, which will be a historic Bell Tower, and have space for a central park in this George Town. It will also incorporate enough space . . . the land will be split in two to incorporate facilities for this Legislative Assembly in the future.

The parking lot will be redesigned as we take some space between us and the next buildings, the present small tract that is there, and utilise some of our space to incorporate from that end to that end our Heroes' Park, our Christian Heritage Park, with that extension of Heroes' Square. It will be a Bell Tower, and yes, it will have a bell, or else it could not be a Bell Tower.

The financial services sector and the tourism sector must of necessity command the Government's attention in any strategy for growth. While we understand the construction industry's part in being able to quickly restore jobs and activity, we must be strategic in matching our policies with the expected goals that we intend to achieve, if not exceed.

In this vein, there are several major projects which have significant economic impact that are at varying stages of implementation and completion. These projects, which have a total value of \$2 billion over the next five years, are critical to the growth forecasts of the economy over the medium term.

As stated in the 2010/11 budget, of the ten projects, two are each valued at \$500 million, that is, Camana Bay and the Ritz Carlton Dragon Bay projects. Two others, including various high-end condo developments along the Seven Mile Beach area and the Cruise Ship Port are valued at \$200 million or more. These condo developments include the Waterford, Watercolours and Cypress Pointe.

Four other projects account for \$600 million of the total investment, at a value of \$150 million each. These are the new sewerage system, the Waste to Energy Facility, the new hospital project, which is a medical tourism facility, and the cargo facility. In the case of the first two, the request-for-proposal documents have been done, while the memorandum of understanding has been signed in respect of the new hospital and the paper for the cargo facility will soon go to Cabinet for discussion. And then on to the public for further discussion.

There are also a number of commercial developments being carried out and the Government's own housing project, which involves building affordable homes around the Island, has started. These account for a total of approximately \$41 million and are ongoing projects.

Efforts to boost the local economy must include decisions to privatise parts of the public sector. But the tendering process has to be improved. For example, the period of time from establishment of the decision to privatise parts of the public sector to the issue of a "request for proposal" which invites bids from any interested tenders has extended beyond one year. That is just to issue a request to ask someone to give us a proposal. If this is good governance, then, Madam Speaker, we need to look up that word. We need to examine it. This has to be rectified!

It is because of such slowness in the process that the Government will make and recommend changes to several boards, committees and processes throughout the public sector for the laudable purpose of giving these projects a fighting opportunity to help boost the Islands' economy.

Madam Speaker, we have to put Caymanians back to work. We cannot do it without development in the private sector. We cannot do it unless we assist some of those people in the private sector because our competition everywhere is doing it. They are offering it, as I said here in the House the other day, more and more incentives to private investment. The United States, the very governors, are calling up companies, conglomerates, themselves and saying, "Come to my State and I will give you this tax-free status."

Here in our own region, the Bahamas and other islands are offering tremendous incentives for investment to boost their chances of keeping their people employed and keeping their country on a safe and even keel.

We have to recognise the fact that all these little islands in the Caribbean which were agricultural based are now turning to banking, financial services

and tourism. And they are offering much more than we have. We have a nice beach, a safe environment, relatively, but a lot of them have cultures that are very enticing. They have tourism attractions that are very enticing and what people want when they travel. People want to relieve their stress when they go on vacation. They want relaxation and to do what they want to do; not what the country believes it can tell them to do.

To be in the business, the Cayman Islands have to change. All of those countries, nearly every one of them, have tremendous natural resources. At the meeting in London recently, St. Helena, good friends over there, are moving forward with a brand new airport; it takes weeks to get to them. And they are now examining legislation for a financial centre. I have said it before and I will say it again, Oh, but we are a beautiful “girl” but we are not the only “girl” at the party. We have to change. And we have to make those changes so that our children and their children can benefit in the future.

**Caymanians Back to Work:** In a recent town hall meeting in Bodden Town, I outlined a strategy for creating more employment opportunities.

New enterprises provide job opportunities for Caymanians and will help re-stimulate local businesses. If we want our children and grandchildren to enjoy the standard of living we have come to expect in these beloved Islands, then we have to compete more effectively with large developed countries which are desperately trying to retain and attract new business and investments.

In this regard, we have to address our immigration policies and their implementation that have resulted in a number of major businesses in the financial services industry moving significant parts of their operations to other countries such as Canada. These businesses which once had a physical presence in Cayman and which generated income and employment for secretaries and other Caymanian staff, accountants, are not likely to return.

The public has been misled into believing that by refusing permits and making it difficult for businesses to obtain the necessary skilled personnel in Cayman that those jobs would be automatically filled by Caymanians. Well, we now know that that is not what has happened. Instead of these jobs remaining in these Islands, the companies have not only moved their top brass out, they have taken a decision to move the economic activity which surrounded the job altogether to another jurisdiction and as a result, far too many Caymanians now face unemployment and local businesses are suffering.

As a result, there are not enough people living in the country to sustain existing businesses or to create new business opportunities for our local [industry]. The demand for existing apartment/room inventory is also weak, thus impacting the property market. As all of us have come to understand, we cannot continue to enjoy the previous standard of living without

immigration policies and a business environment that encourages new enterprises to establish themselves in these Islands.

Those shortsighted policies . . . and I remember how they started. The protectionist attitude should be reversed and new immigration policies be instituted in order to encourage long term business, physical presence and thus create lasting jobs for Caymanians and our children, and will assist with the regeneration of businesses owned and operated by Caymanians and other persons in our country. This will take time, Madam Speaker, it will. That is why we have to plan. And that is what we are doing—putting in the necessary short-, medium- long-term plans in place. We must create lasting jobs for Caymanians and our children.

But this means we need to have a more welcoming attitude. This means that you will see some people that you do not like. You do not have to like them. They do not have to like you. They are here to do a job. Let them go about their merry way. You do your job. You take care of your family, take care of your children and grandchildren and be a good citizen of these Islands and this country will prosper.

Oh, Madam Speaker, they will tell you, “This one does not like me at work.” It’s true. It happens. We know that. My theme for Christmas has to be “Tolerance” because there is far too much intolerance in this country and it is hurting us right down to our families. It is hurting us. What we plan will take time; but this is the kind of strategy that will help keep these Islands moving in the right direction.

Some people will tell you that all of the administrations from the 1960s failed, the last one, this one, and they want somebody new. Madam Speaker, we have done well, all of us! We created . . . and thank God for forefathers who had that knowledge and that foresight to create what we have benefitted [from]. To move from a cookroom, that is, a fireplace, wood stove, whatever you want to call it, to a fantastic gas or electric stove. As I keep saying, look at where we’ve come from—from a cardboard fan in our grandmother’s house, in the heat of the summer sweating at night so much that it left hardly life to do homework. And some of us had no electricity to do that homework by. Look at where we are. We are driving some of the best cars in the country. And I could say, look in our parking lot. And people might say, “Ah, but that is legislators.”

The truth is that the Legislative Assembly is indicative of what exists out there. The standard of living was there: we grew from barely anything to having one of the highest [standards of living] in the region. So those people who say that all these administrations have done nothing and that this one is doing nothing do not know what they are talking about.

Some of them are young people who have to be taught. Some of them who criticise me were not born when I entered this Legislative Assembly in 1984. They do not know the struggles to get labour

legislation for a woman to legally have time off with her children. They do not know the struggle to have pensions in this country, as precarious as they may be sometimes; for people who worked in businesses for 30 or 40 years to hold their hand behind them and get a Timex or some wristwatch and a pat on the shoulder, a bag of groceries and they went on their merry way. We have come a far way.

And all of us in this House need to say so to those 19-year olds and 17-year olds that would care to listen, particularly in our own yards. I preach it to my 9-year old grand-daughter and to my grandsons. We have come a long way. And being barefoot to having all the shoes you want, and some of the nicest and most expensive ones. We have come a long way. And it did not take one administration to do it.

Madam Speaker, we have work to do. Let me be very clear. The Government will ensure that our immigration and work permit policies are on target to bring business. That might mean a man, his secretary and his nanny for his children, as long as they invest in a house, and they buy cars and they shop at Moses Kirkconnell's store in Cayman Brac. That is what we want! That is what we need!

But, our policies will seek to stop unscrupulous employers who systematically refuse to hire willing and able Caymanians and conveniently submit for work permits. That will stop. It is a minority of cases, but it is true, we will utilise the established link between the Department of Immigration and the Department of Employment Relations to root out such practices.

We will continue to up-skill our people by launching new and innovative employability initiatives—like the highly successful Passport 2 Success programme. I want to congratulate the Chief Officer and the Minister on that programme, Madam Speaker, because it is worthy to do so.

I do not know how many Members of this honourable House have taken the time to see what that programme is. But I went to a graduation exercise. I think it was over 25 children . . . 24 children. And, Madam Speaker, I do not mind telling you that I sat there with a full heart out of the fact that I saw the kind of young women and where they came from getting up and giving a testimony of people helping them and they now helping themselves. That Passport 2 Success programme has work to be done on it; but it is a good thing. And I want to congratulate the Chief Officer and the Minister.

**Cost/Price Strategy:** It is imperative to recognise that an important component of the cost of living in the Islands is the cost of doing business. It is therefore my Government's intention to conduct a complete review of fees applicable to small businesses with a view to making reductions where appropriate. That work has started, Madam Speaker. It includes, for example, work permit fees and trade and business licences.

This review will not focus exclusively on reducing fees, but look at overall efficiencies that can be gained from integrating various systems within Government to make it easier for businesses to obtain necessary permission to conduct legitimate activity.

As a Government, we are especially concerned that micro-businesses, small businesses, those that have five or fewer employees, are not disadvantaged when trying to compete with larger businesses. We know for a fact that micro-businesses play a significant role in providing opportunities for individuals in lower income brackets, but are the types of businesses most vulnerable to failure.

With respect to new development, to further stimulate business activity, our Government is continuing the work of temporarily reducing the duties on construction materials as well as a reduction in stamp duty over the next 6 to 12 months. This will provide an extra incentive to get new inward investment projects off the ground and in turn create new opportunities for local businesses. This is a forward-looking strategy that will have implications for this fiscal year and certainly the ones to come.

In view of the efforts that are being made to reduce business costs and the dampening impact on the demand for local goods and services caused by a shrinking population, the forecast inflation path is expected to reflect low to very moderate inflation in the medium-term. The inflation forecast for 2010/2011 is 1.9 per cent rising slightly to 2.4 per cent by 2012/13.

**Fiscal Strategy:** While we are identifying component parts of the overall economic strategy of the Government for the coming fiscal year, we need to recognise that the parts are definitely linked to each other. In this sense, one of the major considerations in our fiscal strategy was undergirded by our desire to minimise any employment fall-out.

From a strategic point of view, we anticipated issues in the public sector and as a consequence the Cabinet commissioned a review of public services to be undertaken by a team reporting to the Deputy Governor.

The work, while arduous, has proven critical in determining: (1) whether there is over-staffing in particular areas of government; (2) if management needs improving; (3) if further training is needed and (4) if processes need to be streamlined, shortened or otherwise simplified. This is the essence of strategic planning and is indicative of the right direction that this administration is on.

This year's [Strategic] Policy Statement is further enhanced by the findings of the Miller Commission which provided some of the insight for the Government's fiscal strategy. The [Miller] Commission Report did not produce a document that sat on the shelf and gathered dust; it has been used to help inform the strategy of the Government going forward. Perhaps the major finding confirmed what we always felt, that direct taxation was not the way to go in helping to finance the country's fiscal deficit.

Having set the fiscal course on the right direction, the key features of the fiscal plan for 2011/2012 are to:

- reduce costs of central government;
- reduce statutory authority /government-owned company losses or increase profitability;
- limit capital expenditure to \$25 million per year for the next three years; and
- divest approximately \$47 million in assets.

**Debt Management Strategy:** The accumulation of national debt is the consequence of having to finance persistent fiscal deficits and/or supporting balance of payments deficits. In addition, there is an element of discretion in which a government may borrow for a rainy day or to investment in some infrastructural development. Of course, there is the added burden of having to pay interest on outstanding debt.

The best way to manage the national debt is to control the twin deficits on the fiscal side and the balance of payments. It is with future generations in mind that my Government is prepared to manage the country's fiscal affairs prudently.

The two major components of the Government's financial affairs are the generation of revenue and the spending of that revenue. It therefore means that Government's spending ought to be technically constrained by its revenue. Ideally, the operating activities of the Government should realise a surplus. This surplus is then used to help finance its investing activities and the bigger the surplus the less is the cash requirement of the Government.

The accumulation of debt has implications for the Government's cash flow position as principal repayments on debt have also to be financed. The United Kingdom is facing that ugly position—over £120 million per day in interest. Greece is in terrible conditions. Most countries are in that position. We do not want to get that.

Once the Government's investing activities are clearly determined, the smaller the surplus on its operating activities, the larger the borrowing requirement of the Government.

It is very evident that the Government's spending programme depends heavily on the state of the Government's revenue. And the best way to grow Government's revenue is to have a growth strategy for the Country. Therefore the Government's debt management strategy is inextricably linked to its growth strategy. In the current circumstances, we had to re-balance Government's finances not only to help overcome the recession but to position the economy for resumption of growth next year.

It is true that there are principles of responsible financial management outlined in section 14 of the Public Management and Finance Law which are expected to be met. But it must be recognised and understood that these principles are expected to be achieved within a broader economic strategy that sets out broader and other specific outcomes. As a conse-

quence, the Strategic Policy Statement has considerable merit when seen in the context of its intended mandate. The focus has to be on strategic policy with the emphasis on the economy, though it is impossible to ignore the social objectives not explicitly made in the legislation.

Madam Speaker, in closing . . . over the years as a country we have faced many challenges as a people. If we recall, in November 2001, Hurricane Michelle destroyed the Cayman Turtle Farm. In between 2001 and 2005 we had the wars in the east. There was hoof and mouth disease and SARS and the Asian Flu affected tourism and our economy. Then there was the awful terrorist attack on the US in September 2001.

In September 2004 we had Hurricane Ivan causing over \$3 billion in damage. Then there was Paloma in 2008, which hit Cayman Brac causing major damage to our people over there. Then in late 2007 the worldwide economic crisis began. We are still in the throes of that experience. Madam Speaker, we have had an awful time since 2001. An awful time! Nevertheless, God has been good to us. We are a blessed people. We are a resilient people, Madam Speaker, sustaining all of that damage but still surviving, largely on our own. No grants from any administering powers and very little other external assistance.

Madam Speaker, today is Thanksgiving Day in the United States. The majority of our people here in the Cayman Islands observe this day. It is not a public holiday, but it is one here for family and friends here to give thanks. To whom do we give thanks? For what do we give thanks?

I thought I could use no better words as a more proper and most pertinent closure to the introduction of the Strategic Policy Statement than the Editorial of today's *Caymanian Compass*. With your indulgence, I want to read it: **"It's Time for all to be Thankful."**

**"Today our neighbours to the north will bow their heads and give thanks before tucking in to a feast of turkey, dressing and all the trimmings.**

**"While we do not celebrate Thanksgiving in the Cayman Islands, we can use the day as a reminder of all things for which we should be thankful.**

**"For starters, we have been spared—once again—from a catastrophic storm this hurricane season. The last time a major storm struck our country was in 2008 when Paloma ravaged Cayman Brac and did damage to Little Cayman. Be thankful that those hurricane supplies you stocked up on didn't have to be put to use. But be vigilant; hurricane season isn't over until 30 November.**

**"All of us have so much for which to be thankful. Even the most tedious of daily challenges give us pause to be grateful for all we have.**

**“Stuck in traffic or behind a driver who is going slower than drying paint? Be thankful. You have transportation.**

**“Tired of the overwhelming groups of tourists crowding downtown as you try to shop? Be thankful. You obviously have money to be buying [goods] and those tourists are leaving behind money that boosts our economy.**

**“Is that alarm clock just a bit annoying each and every morning? Be thankful. You can hear the ringing. It means you’re alive.**

**“Be thankful for the food on your table and for the hands that prepared your food.**

**“Be thankful for the Cayman Islands. We are so blessed” to live in such a beautiful paradise that most people can only dream of. We get to see the blue sea and sugary sand beaches each and every day.**

**“Be thankful that we have a healthcare system that can treat most of our ills and for the ability to go to other countries for treatment that can’t be obtained here.**

**“Be thankful that we live in a country where speech is free and we can openly discuss issues with our government and freely practice religion.**

**“Be thankful for your coworkers—it means you have a job.**

**“Most of all, be thankful for life.”**

Madam Speaker, as I said, I find it a most pertinent closure, a reminder of where we’re at. Where we are at! Fellow Members, we have much to be thankful for while there is work yet to be done,

O God, our Help in ages past, our Hope for years to come.

Accordingly, Madam Speaker I commend this Government Motion which seeks to obtain approval of the Strategic Policy Statement for the 2011/12 fiscal year as the foundation or building block on which to construct the full-year budget for the 2011/12 fiscal year to all honourable Members of this Legislative Assembly. I do ask for their support of the Government Motion.

Madam Speaker, I do thank you for your indulgence.

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

Before I open the Motion for debate, I think this is a good time to take the lunch break so that the next person’s speech will not be disturbed.

**Mr. Alden M. McLaughlin, Jr.:** Madam Speaker before you take the . . .

**The Speaker:** [Third Elected] Member for George Town, sorry.

**Mr. Alden M. McLaughlin, Jr.:** Before you take the luncheon suspension, I wonder if the Opposition could

be privileged to have a copy of the Premier’s very detailed and long speech supporting the policy statement as has been the practice in the past.

**The Speaker:** Yes. Copies are being prepared and they will be circulated now.

    Serjeant, please circulate them before we dismiss so that Members may have copies.

[Pause]

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

### **Apology**

**The Speaker:** I did forget this morning to make apologies for the Leader of the Opposition who is away from the Island today. His daughter is getting ready to graduate. I think she is doing her final recital.

[pause]

**The Speaker:** Copies will also be available at the counter for members of the press.

    We will take the lunch suspension now until 2:00 . . . until 2:15 I think. Today’s Thanksgiving, we need a couple of extra minutes to be thankful.

[laughter]

**Proceedings suspended at 12.18 pm**

**Proceedings resumed at 2.29 pm**

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

**Mr. Alden M. McLaughlin, Jr.:** Madam Speaker, I call to your attention there is not a quorum.

**The Speaker:** I realise there is not a quorum. The Serjeant was supposed to get a quorum in here. I did not know he had not done so.

[Pause]

**The Speaker:** When we took the break for lunch, the Premier had concluded the presentation of his Strategic Policy Statement.

    Does any other Member wish to speak?  
[pause]

Third Elected Member for George Town.

**Mr. Alden M. McLaughlin, Jr.:** Thank you, Madam Speaker.

    I wish to start by congratulating the Premier on his presentation this morning in what was a very

long and detailed speech. In the 10 years that I have had the honour to be in this House, I believe it was one of the most statesman-like presentations I have heard the Premier deliver.

Madam Speaker, this whole process of delivery by the Government of a Strategic Policy Statement which is designed to set out in broad terms the Government's vision principally for the next financial year but more broadly for the next three or so years is a relatively new exercise which was implemented under and pursuant to the Public Management and Finance Law legislation.

In the early days of the delivery of this Statement . . . and the Statement, really, is not the Minister's speech, or the Premier's speech, in this case; the Statement is a document which sets out the specific outcomes and key policy strategies of the Government and includes lots of graphs and tables and so forth. The speech is something in addition to that Statement.

The practice in this House was that the SPS was delivered and that was the end of the matter. In more recent times (and this actually started under the administration of which I was a part) there was a Government Motion and there was actually debate required or allowed by Members of the House on the Government's SPS and the accompanying speech of the leader (as it was in those days), the Premier (as it is now).

Madam Speaker, I believe that this procedure needs to evolve further if, in fact, this exercise is going to inure for the overall benefit of this House and, indeed, for the country. And, by that, I mean that if it is intended, or expected, that those on the other side of the House from the Government are expected to make positive contributions, thoughtful contributions to the debate on how Government's policy is being moulded.

The reason I say that, Madam Speaker (and this is no criticism of the Government, by any means. What is transpiring today is what has transpired over the course of the last little while), is that we have the SPS, which in very small print runs to 30 pages, and a 40 page type-written presentation (that is, without the ad-libbed material) delivered by the Premier. And those who are not on the Government side are expected to absorb that information and consider it carefully and respond—in this case we were lucky—over a luncheon break. It could have been quite possible that we were required to respond as soon as the Premier sat down, as has been the case in the past.

So, I am making these observations, not by way of complaint, not by way of criticism of the Government, but by way of urging this House to reconsider this procedure that is adopted in relation to this specific event and to look at this day (that is, the day that the SPS is delivered) as an opportunity for thoughtful debate on the Government's policy in relation to the upcoming budget year (or years, I think is probably more accurate) and for us to perhaps adopt

a procedure akin to how we deal with the Budget and Throne Speech and to allow even a day for the other side to consider the SPS and the accompanying speech by the Premier.

So, Madam Speaker, having said that, we have had the benefit of a full 130 minutes to consider the SPS and the Premier's address. And, while that time will not permit any of us, I think, to do justice to the matter, I think we have been around long enough in this process that we are able to offer some contribution, make some observations on what the Premier has said and, indeed, what the SPS actually says.

Madam Speaker, the Premier has painted a somewhat optimistic picture for the future of these Islands. One can hardly fault him for doing so. Confidence is very important at any time, Madam Speaker, but particularly in challenging times. No doubt that was at the forefront of the Premier's mind as he contemplated what he would say today.

He has entitled the contribution "The Right Direction" drawing attention, principally, to what he considers to be his Government's fiscal achievements in reducing the unaudited budget deficit for the entire public sector for the year 30 June 2010, and also indicating that, so far, the performance of this year's budget is much better than had been projected.

Madam Speaker, if, in fact, all of that is the case, then we offer the Government and the Premier our sincere congratulations because we too want the country to get back on the best fiscal footing that it can. I just wish to say that there are some factors which worry us. And that is whether or not the Government has taken into . . . or, I should say, how sustainable are these actual reductions in expenditure?

And, Madam Speaker, the question arises as to whether or not all of the commitments which Government normally has to make are being fulfilled, particularly in relation to things like contributing to the past service liability of the Government in relation to civil servants' pensions and so forth; whether or not the Government is addressing or has addressed the serious concerns raised in the Miller/Shaw Report about the unfunded liability of Government, and whether or not, for instance, the significantly reduced subsidy, or contribution, however we term it (I think there is another technical term that is applied), but essentially the money that in the past has been given to CINICO, whether those reductions are simply not postponing for another day for another budget significant outlays on the part of Government.

Madam Speaker, there is also another point which I think I ought to raise about those figures. And that is that I would ask the Government, or the Premier when he responds, to confirm that in fact Government's outstanding bills and so forth have either been paid . . . and we know from listening to many vendors and suppliers of services and goods to Government that for some considerable time their accounts have gone unpaid, whether or not those accounts have now been paid up and, in the event they

have not, as I would expect given the present accounting system that we have, that the commitments are actually reflected in these figures and it is not a case, as it was in the year 2000 when the then Government, led by Minister Truman Bodden, had simply stashed away the bills and projected a significant surplus. Once the bills were paid we wound up with a staggering deficit. So, I just wish for the Government, for the Premier when he responds, to address those issues and to give us the further comfort that in reality we are looking at the distinct possibility of a surplus at the end of this fiscal year.

Madam Speaker, the other reason for that particular concern is that in the responses given by the Premier to a parliamentary question, asked by the Leader of the Opposition at the last Meeting of the House and in the Premier's statement which he made to the House earlier in this Meeting addressing the issue of the financial position of the country, it did not appear to us that there had been any significant reduction in personnel costs and that most of the savings which had been achieved had actually been as a result of reduction in purchases on the part of the Government.

While we know that there is still underway a Civil Service review exercise (which has been going on for some time), we wonder whether or not and to what extent the Government is actually seeking to address the whole question of the overall personnel costs. And that includes the attendant costs, not just salaries, but all of the other costs that go along with personnel. And the reason we raise that squarely is that the Premier has referred to the implementation of various sections or recommendations of the Miller/Shaw Report. One of the biggest concerns, I think, identified by the authors of that Report as the most crippling aspect is the personnel costs and the unfunded liability of the Government. They urged that that be addressed. I did not hear, and having read the speech I have not seen in the Premier's speech any specific reference to that issue.

Madam Speaker, there is another worrying bit for us in what the Premier said, particularly as it compares to what has been set out in the SPS itself. I just wish to read what the Premier has said in that regard about the state of the domestic economy, and compare that with what is said in the SPS in the hope, Madam Speaker, that we can get some reconciliation or clarification of what appears to us the two differing perspectives . . . not perspectives, conclusions.

If I could have a moment, Madam Speaker, to turn to the correct page in the Premier's speech [*pause*]  
— Madam Speaker, the Premier said in his speech, on page 20 (and I will just read that bit):

**“Madam Speaker, although we have been weathering the global economic decline, the Cayman Islands still demonstrates its resilience through such challenging times. Our business environment has seen a steady flow of company**

**registrations and licensing activity over the past year.**

**“For the period 1 October 2009 to 30 September 2010, the General Registry statistics show that there was an increase of 1% in registered companies and a 9.8% increase in partnerships registered.**

**“Focusing specifically on new registrations, new company registrations have increased by approximately 6%, while new partnership registrations have increased by approximately 18.5% over the same period in 2009.**

**“The Cayman Islands Monetary Authority reports a 14% increase in ‘money services businesses’ from December 2009 to September 2010. As well, there was an increase in the number of unrestricted trusts (4.1%), registered private trust companies (73.9%), company managers & corporate services providers (2.4%), number of insurance managers (26.9%) and mutual funds (0.7%) during that period.”**

Now, Madam Speaker, that paints a very encouraging picture. And we all wish that that is actually the case, although, Madam Speaker, it actually does not, I think, provide a full . . . or is not presented in its full context.

When we refer, Madam Speaker, and try to reconcile what has been said there with what is actually said in the SPS, the picture is not quite as rosy. And, Madam Speaker, I beg you to be patient, if not indulgent, with me as I read from the SPS because there is a fair bit of detail here. But I believe, given what I have just read from the Premier's speech, that this is important both in context and in its detail.

On page 12 of the SPS, I am going to start at the top, where it is entitled **“Introduction.”** Quoting from the SPS: **“The global downturn showed its full impact on the domestic economy in 2009 and continues to register a lingering effect in the first half of 2010. The domestic recovery was stalled and remains to be challenged by both external and domestic factors. Externally, the US and other advanced economies, which comprise the country's major source markets for the key industries have recovered at an unstable pace. Internally, the population declined resulting to downward adjustments in domestic demand. In the first half of 2010, signs of recovery were seen for a few sectors but overall recovery up to 2011 is challenged anew by recent changes in the outlook for the country's major markets.**

**“In 2009, global output contracted by 0.6 percent, a significant downswing compared to the growth by 2.8 percent a year ago. Global economic growth is expected to be 4.8 percent and 4.2 percent in 2010 and 2011 respectively, as most advanced and a few emerging economies still face major economic adjustments, including reforms in the financial sector.**

"The advanced economies contracted sharply by 3.2 percent in 2009, while emerging and developing countries expanded at a slower rate of 2.5 percent. The economic outlook for both groups of countries is cautiously optimistic in 2010/11, although the rates of recovery vary and are still deemed vulnerable to shocks.

"Economic activity in the US fell by 2.6 percent in 2009 amidst a massive fiscal stimulus plan. Positive economic growth started in the third quarter of 2009 but this faltered in the first half of 2010 as the 3.7 percent growth posted in the first quarter slowed to 1.6% in the second quarter . . . . The unstable path of recovery has not also showed a sustained impact on employment. The slowdown is associated with sharp acceleration in imports and a fall-off in private inventory investment. US growth in the second half of 2010 up to the first half of 2011 is forecasted to be weaker than initially anticipated. Thus, the forecast GDP growth for 2010 as of spring 2010 was revised from 3.1 percent to 2.6 percent. The forecast for 2011 was similarly adjusted from 2.6 percent to 2.3 percent. These are expected—and this is the important bit, Madam Speaker—"These are expected to trigger a similar adjustment to the forecast growth of the Cayman Islands in view of its significant linkage with the US economy.

"Other source markets of the Cayman Islands are not also expected to show strong recovery. In the UK, growth slid to -4.9 percent in 2009 from -0.1 percent the previous year. Meanwhile economic activity in the Euro area fell by 4.1 percent in 2009. Recovery has been hampered by unusually tight lending policies among banks in the region. For 2010, the forecast growth rate of the UK and the Euro area is 1.7%. For 2011 the prospect for the UK at 2.0 percent is moderately better than the 1.5 percent in the Euro area.

"In contrast, emerging and developing economies continue to expand in 2009 on account mainly of the robust internal demand in developing Asian countries, particularly China. The forecast shows a stronger growth of 7.1 percent in 2010 and 6.4 percent in 2011 for this group of countries."

There is another paragraph that deals with inflation, but I will skip that and come specifically to what the SPS says about the Cayman Islands economic performance and forecast for this year, that is the subject of this SPS, 2010-11.

"In 2009, the Cayman Islands GDP was estimated to have contracted by 7.0 percent on account of reductions in external and local demand for the key industries. External demands for financial and tourism services suffered from the global economic downturn, and reduced foreign employment in these industries. This pushed down the local population level and triggered a similar impact on domestic demand for other industries

including real estate, renting and business activities, wholesale and retail industries. The economic downturn also halted construction. Domestic demand was also affected by adjustments in fiscal policy implemented through increases in some tax rates and cuts in total government spending, particularly capital spending."

And, so, Madam Speaker, the Government has recognised that its fiscal policy which included increases in some tax rates and cuts in total government spending, particularly capital spending, has had an overall negative effect on the economy.

The SPS goes on, Madam Speaker, quoting again. And this is the bit that is really confusing to us, given what the Premier said in his speech, the excerpt which I read a short while ago:

"Financing and insurance services which account for the largest share of GDP declined in 2009 reflecting primarily the impact of sharp increases in insurance claims and downturns in mutual funds registration," down by 3.5 percent, "stock exchange listings" down by 16.9 percent, "new company registrations" down by 33.7 percent. "Banks and Trusts also continued to fall, this time by 4.3 percent. That is 2009. For the first half of 2010, indications of recovery are noted: new company registrations surged by 18.4 percent while stock exchange listings rose by 1.6 percent . . . ." And, Madam Speaker, the Premier did mention the increase in new company registrations; he did not mention the rest. I am returning to the script: "However, other financial services indicators kept their downward path."

**The Speaker:** That is the speech you are quoting from? Or the Policy Statement?

**Mr. Alden M. McLaughlin, Jr.:** I am on page 13 of the SPS.

**The Speaker:** Oh. Okay.

**Mr. Alden M. McLaughlin, Jr.:** I just interjected, Madam Speaker, an observation of my own.

**The Speaker:** Oh. All right. Thank you. I just wanted to keep pace with you.

*[Inaudible interjections]*

**Mr. Alden M. McLaughlin, Jr.:** Madam Speaker, the SPS goes on:

"However, other financial services indicators kept their downward path." That is really not the picture you get when you read the Premier's speech or you heard his delivery.

The SPS goes on, at page 13, third paragraph from the bottom: "The real estate, renting and business activities sector also suffered in 2009. The value of property transfers fell steeply by 28.9

percent to \$397.0 million. Demand for construction services registered declines in terms of total value of building permits 29.3% and project approvals 14.5%.

Meanwhile, air arrivals shrunk by 10.2 percent in 2009 while cruise arrivals fell by 2.1% to put total visitor arrivals to 1.79 million or a decline of 3.4% relative to the previous year.

For the first half of 2010, tourism statistics rebounded with a 4.8 percent and 2.3 percent increase in both air arrivals and cruise passengers respectively.” And the Premier told us about that as well, Madam Speaker.

Returning to the SPS: “However, indicators for the real estate and construction sectors continued to decline, with the total value of property transfers dropping by 15 percent and of building permits by 28.0 percent.”

And just to finish it up, Madam Speaker, over the page: “The latest forecast for 2010 points to a further reduction of GDP by 4.1% bringing GDP growth FY 2009/10 to -5.6 percent. This forecast is based on the above key indicators for the first half of 2010 and the preceding economic outlook for the US and other advanced economies. A modest forecast GDP growth of 0.8 percent in 2011 will hinge on a firm rebound of the financial services industry particularly in the second half of the year, and stronger growth of tourism arrivals. The resulting forecast GDP growth FY 2010/11 is -1.7 percent.”

So, Madam Speaker, while we in the Opposition were buoyed and encouraged by the presentation made by the Premier this morning, we were rather sobered by reading what the actual projections are—not one or two, but the overall trend and the overall picture set out in the SPS Statement. That paints less than a rosy picture, as I said earlier.

Madam Speaker, the picture it paints, though, is the reality which all of us who are in touch with what is happening in Cayman understand, whether or not we have the specific details and statistics. And that is, people are hurting; businesses are hurting, many on the verge of collapse. People are unemployed, particularly young people.

This morning I understand there was a young lady demonstrating in front of this Legislative Assembly, before we began, with a sign asking for a job. That is the economic reality of these times. And the question must be whether Government in developing its strategy is doing enough, is planning to do enough to help alleviate the suffering, to help stem the hemorrhaging of businesses.

Madam Speaker, I brought a motion to this House during this very Meeting calling on the Government to consider the reallocation of funding to provide more, to make more available for the most vulnerable, the most needy in this community who truly do need Government assistance just to survive. And, Madam Speaker, I was encouraged and I was grateful

that the Government quickly acknowledged the need, the shortfall in the last budget for financial assistance and has given an undertaking through the Minister responsible, the Minister of Community Affairs, to deal with it swiftly.

I had hoped that when the Strategic Policy Statement was delivered today in the 40-plus pages that the Premier read and extemporised, that there would have been some mention of assistance to the most needy the most vulnerable in this community, those who are aged, those who are disabled, those who are indigent, the children who struggle from day to day just to survive.

Madam Speaker, to be fair, in the broad outcomes which the Government has committed to in their SPS they do have a section entitled “Strengthening Families.”

So, Madam Speaker, I acknowledge that they do or they have given consideration to families and to family programmes and so forth. But there is a specific, critical crying need in the here and now to get people through this time before we get to the time that is envisioned by the Government. And we need to plan for the future. But if you do not survive today, you will not get to tomorrow no matter how bright and beautiful and hopeful it may be. We have got to get our people and our businesses through these times.

And that is what Government is about. Or that is what Government ought to be about. At its core that is why we are here. We can build as many edifices, we can build as many bell towers, we can make as many national heroes as we want, but the most important function we have is looking out for the welfare of the people who we were elected to lead and represent.

So, Madam Speaker, if the Government takes nothing away from what I say in this contribution to the SPS, to the document that is guiding Government’s development of the next budget, I ask them to take this: Please ensure that there is adequate allocation, that there is a specific effort made to provide for those who are least able to provide for themselves, especially in these most difficult of times.

Madam Speaker, over the last year . . . I should not say over the last year . . . last year, and again this year the Government has committed to a work programme which allows persons who are otherwise unemployed to get the opportunity to do some work as we come up to Christmas, and to be able to make some money. I commend them for doing so. I commend in particular the Fourth Elected Member for George Town who has led the charge on that front from the beginning. That is a very useful programme, a very needed programme.

As I know the Fourth Elected Member for George Town, he must be pounding on the table at every meeting of his caucus for more assistance for the vulnerable in this community. I say that because I know him.

*[Inaudible interjections]*

**Mr. Alden M. McLaughlin, Jr.:** Madam Speaker, I urge the Government, but I join voice with him and I urge the Government to really look again at that aspect of its overall Strategic Policy.

Madam Speaker, moving on, there were some other encouraging indications in the Premier's speech which tell us or suggest to us that the Government is finally recognising, as the SPS has said, the adverse impact of the significant increases in a range of taxes and fees over the last year or so which have truly made it very difficult for many businesses to survive, let alone thrive; increases which have had a truly dampening effect on an already very weak economy.

I say that, Madam Speaker, because the Premier says the Government (and he had hinted at this in an earlier speech) is now considering a stimulus package for various industries. I think the first time I heard him mention this he was speaking specifically about the development and construction industries. Madam Speaker, we urge the Premier and his Government to move on this with expedition.

Madam Speaker, the significant increases in the range of Planning application fees and so forth which the Government introduced a matter of months ago have had a really debilitating effect on the industry. The number of persons who were considering small projects or who were in the process of drawing them as architects or draftsmen who have spoken to me alone about what that has done to their projects has astounded even me. The Government really needs to move swiftly if it is to encourage the smaller kind of projects, particularly. Maybe the bigger ones can stand it, but the smaller projects and the smaller developers and the smaller contractors really need all the help they can get now to keep business or to get some business moving, to get some economic activity rolling.

The SPS recognises that construction . . . it says "halted." Perhaps it is not halted now, but it is certainly just barely stumbling.

A large part of the issue of a reduced population, which the Premier talks about all of the time as though it is the immigration policies all by themselves that have "driven people away" he says, the SPS recognises that the largest number of persons who have departed these shores in recent times have done so because of the falloff in construction activity. The majority of them were in some way or another involved in the construction industry. And so, Madam Speaker, we have got to do things to try and encourage more economic activity, more construction, more development.

The Premier talks about this at a certain high level. He is consistent in doing so. And he does so usually accompanied by a remark that the previous administration did nothing to encourage business and economic activity here. But I will say this much, Madam Speaker: What we certainly did not do was to

discourage it by, in the middle of the worst global recession in 70 years, jacking up fees—fees on work permits, planning fees, import duties, increases taxes on fuel. All of these things impact everyone, but particularly business—right where it hurts—in a market, in an environment, in an economy where it is very difficult for them to raise prices without losing even more of their market share.

Madam Speaker, no opportunity is lost by the Premier and some (I will not say all or even most, in some) key members of his administration to criticise, to denigrate, to slam, the decisions of the administration of which I was a part, to move ahead with major construction when the economy, the global economy was faltering. And the first indications of what was to transpire in Cayman were being felt.

Now, Madam Speaker, let me preface what I am about to say by saying this: I would never say, and neither would any of my colleagues, that if we had it to do all over again that we would have made all the same decisions we did when we did. Certainly not! There are many lessons that must be learned by what transpired. And I believe that those who advised us also have learned lessons.

No one in the world, I do not believe, could have predicted how deep, how broad, how far-reaching and how lengthy this recession would be. We still do not know when it is going to end. But there are some key decisions that we took that I am satisfied (as I believe are my colleagues), that were absolutely the right thing to do at the time. If we think that the people in this country are hurting now, if we had not had the benefit of the construction and all the other economic activity that that generated resulting from the construction of the new Government Administration Building, I can assure you we would have been much worse off than we currently are.

Madam Speaker, we saw and we still feel what has happened since the construction on the schools stopped. I smiled to myself and by chance the Leader of the Opposition happened to be in my company as we heard the now Minister of Education, my good friend, saying over the radio that he was looking forward to the re-start of the construction on the new schools because it would help to generate more economic activity and provide more employment.

Well, Madam Speaker, the Premier in his speech—which in many instances contains real contradictions—pooh-poohed the Keynesian economic approach to a recession, which, he says, and correctly, we adopted that it is Government's duty, because we believed it is Government's duty in a time of recession to spend to help generate economic activity. He says that that ought not to apply to small, contained (if I can use that word to sum up everything he said) economies such as ours.

Now, Madam Speaker, there is no question that there has to be a balance struck. And I am not for a minute going to try to pretend or to argue that the decisions we made in that regard have not contributed

to the Government debt or have not in one way or another impacted Government's recurrent expenditure. They did. And we are and were as gravely concerned—perhaps more so—than many because we take the responsibility we had and the responsibility we have very, very seriously.

But there is also, Madam Speaker, I believe an even more important responsibility. And that is the responsibility we have for the welfare of the people of this country and that extends to the businesses and so forth which make up this economy, make up this community, make up this country. Government may have all the money in the bank. The Premier may come when budget comes in June of next year and say the budget is balanced and we have a surplus. But if people have lost their houses or are losing their houses, if people do not have employment, if people cannot put food on the table, if people cannot send their children to school, then what is all of that about?

Madam Speaker, it is not one or the other. I understand that. There has to be fiscal prudence. There has to be. We cannot just spend and say whatever happens, happens. I am not suggesting that. And as I said, I am not suggesting that we did not make some mistakes. Nobody grabs a brass ring every time. I will say this, though; we did a lot of good in the four years we were there. We have taken many stripes, and perhaps there may be some more before the punishment is over. But of this I am satisfied, for Lord knows there have been times when, as strong as I like to believe I am, I have sat by my little self in my little private area, and shed my share of tears over all of this. Let no one think otherwise.

But of this I am satisfied, Madam Speaker, our commitment to building a better country giving greater opportunity to our people will be vindicated in the history books if not in our lifetime. When all of this is put in its proper context and viewed with the objectivity that only distance and time can bring, this period when great commitment was given to the development of the infrastructure of this country and the development of opportunities for our people will be celebrated, will be commended, will be congratulated. And, having come to that conclusion, Madam Speaker, within myself, I am able to take the stripes and to move on and to seek another opportunity to make an even greater contribution than that which I have thus far been afforded the privilege to do.

Madam Speaker, the Premier has also indicated that the Government is looking as far as it relates to assisting small businesses at reducing . . . well, let me not misquote him. He says they are committed to **“a complete review of fees applicable to small businesses with a view to making reductions where appropriate.”** This will include, **“for example, work permit fees and trade and business licences.”** That is on page 33, of his type-written speech.

Madam Speaker, we are greatly encouraged by that. Again, it is an indication that the Government

has finally—belatedly, yes, but finally—recognised that small business really, truly needs a break. A pension holiday just did not cut it. Small businesses need real, tangible assistance and support.

Madam Speaker, during this Meeting of the House I also brought a motion calling on the Government to roll back, to consider rolling back work permit fee increases, which came into effect in January of this year, to 2009 levels. Madam Speaker, the Government dismissed it without a word. They treated it with utter disdain and contempt. But, Madam Speaker, I have been around long enough to know that their silence was the greatest indication that they understood how necessary it was. But, simply because I am on this side, they could not accept it; but they could not argue with the premise of the motion at all.

If I had known, Madam Speaker, that they were going to deal with it that way, I would not have spent so much time preparing, because I did present the motion at some length.

*[Inaudible interjection]*

**The Speaker:** Not across the floor please.

**Mr. Aiden M. McLaughlin, Jr.:** Madam Speaker, I am quite happy to give the Premier a little of my time. He did not seem to have enough this morning.

**The Premier, Hon. W. McKeever Bush:** No. *[inaudible]*

**Mr. Aiden M. McLaughlin, Jr.:** But, Madam Speaker, I know what I said was not lost on them because I see bits and pieces of it reflected in the Premier's speech today. So, for those, not just within these hallowed halls, but for those elsewhere who believe that all the Opposition does is oppose and they do not make any real contribution to the development of Government policy, I believe here is a very good indication that even when the Government votes down a motion it does not mean that they have entirely ignored what is being said; it is just that they wish to ignore the person moving the Motion. That is how it is, Madam Speaker. That is how it is.

Yes, Madam Speaker, for those who aspire to politics, particularly in this jurisdiction, the first thing you need to do is to go get into a programme that gives you very thick skin. I do not know how you do that . . . probably get beaten on it every day or something. But that is necessary if you are going to survive.

Madam Speaker, I want to say a few words about the Government's specific outcome and key policy strategy entitled **“Developing a World Class Education System to Foster Growth and to Benefit from Development,”** which is at page 6 of the SPS.

Madam Speaker, there is a long list of things that the Government, the Minister in particular, proposes to do, or to continue to do in most instances, during the course of the upcoming financial year, 2011/12. I am delighted. I am encouraged. I am hope-

ful that despite the change in regimes, the change in ministers, that education is going forward, that the foundation which was developed during the time I was minister is being, by and large, built upon, adjusted, amended, as the case may be, new initiatives being introduced. That is all well and good. I would never expect any minister not to place his or her own stamp on what it is they are doing and I would never suggest for a moment that everything that was developed or proposed during my time was absolutely right—although we always strove for that.

So, Madam Speaker I just wish to offer my continued support to the Minister for what is being done, particularly the . . . I note the implementation and the review of the Education Modernisation Law, and regulations, and the continued construction of the two new high school campuses, albeit on a phased basis, and the continued development of a national literacy plan, a national numeracy plan and so forth.

So, Madam Speaker, as I said, I take issue often with much that the Government does or does not do, but on that front at least so far notwithstanding the many criticisms that Minister has made of me . . . that is fine. As long as he is doing the right thing he can beat up on me as much as he wishes.

Madam Speaker, I want to turn my attention now to something that is conspicuous for its absence from anything that the Premier said in his speech that lasted the best part of two hours. And that, Madam Speaker, is the situation with crime in this country.

Now, Madam Speaker, the Premier may say that this was a speech about the economy and about the Government's strategic policy in relation to it. But I do not think that will take him very far because the SPS actually does mention the issue of crime under one of its specific outcomes and key policy strategies. It speaks about addressing crime and policing.

It talks about improving overall border control, continuing to improve on offshore operations capabilities of the force, conducting biometric checks, (which are fingerprints and so forth), strengthening an enhanced police community and security services, increasing foot patrols, and increasing community and neighbourhood policing and so forth. That is all fine, Madam Speaker. Those are details of what ought to be, in my view, a broader strategy. I wanted to hear, and I believe everyone in this country wanted to hear, what it is that the Government is going to do in terms of a national strategy against crime, particularly violent crime, gun crime.

The Government has been in office now for 18 months. When we were in office, before we even had the advent of a Constitution which gave any elected Member any right to influence policing, save by voting funds, the Government—but the Premier, in particular—beat the skin off of our backs at every opportunity, particularly running up to the elections, about how crime had gotten out of control. Madam Speaker, the Government is not responsible for the crime. I am not suggesting that. No government is.

But they have a responsibility now, in particular, that we have a National Security Council where there is actual input about strategy. Not about operational issues, but about strategy.

On that council are three Government Ministers and the Leader of the Opposition and the Attorney General, the Commissioner of Police, and two private persons. I do not think I left anybody off. Madam Speaker, I brought a motion to this House in February of this year. It was a carefully thought-out motion. I spent a week working on it, talking to key people in this community. It has not seen the light of day. The Government . . . I even had it . . . sorry, let me calm down.

I have not even had the opportunity to present it in this House. The Premier said he was not ready for it. The Premier said the Government was not ready to deal with it. The Premier—

**The Premier, Hon. W. McKeeva Bush:** [inaudible]

**Mr. Alden M. McLaughlin, Jr.:** Madam Speaker, I do not make up things. I am a member of the Business Committee of this House which is chaired by the Premier. The Premier told me that he was not ready to deal with it. That was in February.

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

**Mr. Alden M. McLaughlin, Jr.:** What are you getting up for?

**The Premier, Hon. W. McKeeva Bush:** I am getting up on a point of order, Madam Speaker, because the Member is misleading the House.

Now, we were going good, up until he found something that he can beat properly. I have never told the Member that when I was ready to deal with it . . . I am not going to deal with this. The Constitution says where these matters should be dealt with. It is His Excellency the Governor, which is being dealt with, it is the National Security Council. And when the Deputy Governor is ready for that, we will deal with it. I have never said that we . . . that I would deal with it. I have no such authority. I can make suggestions, but when the Member is ready he will do so.

**The Speaker:** Third Elected Member for George Town.

**Mr. Alden M. McLaughlin, Jr.:** Madam Speaker, I am not sure that was a point of order, but that is fine. I think the Premier misunderstood what I intended.

I was not suggesting that he is the person who would deal with crime; I am saying that he said that the Government was not ready to have the Motion, to deal with the Motion that is to respond to whatever it was that I said in the House back in February.

**The Premier, Hon. W. McKeeva Bush:** [inaudible]

**Mr. Alden M. McLaughlin, Jr.:** Fine. Fine.

So, I am not suggesting that he is the one charged with constitutional responsibility for National Security. Not at all. Not at all. I am talking about dealing with it in this House.

**The Premier, Hon. W. McKeever Bush:** Yeah? When the Member [inaudible] ready.

**Mr. Alden M. McLaughlin, Jr.:** But, aside from that, Madam Speaker, while we squabble here—

**The Premier, Hon. W. McKeever Bush:** Yeah!

**Mr. Alden M. McLaughlin, Jr.:** —about whether or not the Government is ready to deal with a motion about crime, yesterday the Bank of Butterfield at the Compass Centre was robbed at gunpoint and a shot was fired, and people terrified.

This week the *Caymanian Compass* carried a story about the increase, the overall increase in crime. I wish I had the time to actually go and track down the paper over lunch, but I did not (I was concentrating on other things) so I could read the statistics. But I do not think I need to read the statistics to this House or the people in this country. Everybody knows that violent crime is out of control. And for the Premier of this country to address the House and the nation on the occasion of the delivery of the Strategic Policy Statement and say not one word about crime, Madam Speaker, is astounding!

I do not believe, economy and all of that, that there is one factor more serious in this country now than the issue of crime because it impacts just about everything else. All of the efforts that are being made—and that are being claimed to be made by the Premier and his Government—to improve the environment for financial services, to improve the environment for business, to bring more tourism to Cayman, all of those things are being adversely impacted, all of those efforts are being nullified . . . No, let me not go so far. Not “being nullified” . . . are being *thwarted* to some extent by this issue of crime.

Aside from that, Madam Speaker, it affects the quality of life for all of us who live here, Caymanian or otherwise. I find myself doing things now that I never used to do just out of a sense of caution or concern, which, hitherto, I never had.

Madam Speaker, I am one who has always gone to any part of . . . I would not say any part of the country, because I do not know all of the little ins and outs of every district. But I certainly know every one in George Town. I can assure you there is not one road in George Town that I do not know. I go everywhere. I do not know if anyone has experienced this, but when you go to certain areas these days—and I still go—a young man will say to me, “*Mr. Alden, give me \$10, I’ll watch your car for you.*” Even they recognise that I might be afraid that something might happen to my car.

[Inaudible interjections and laughter]

**Mr. Alden M. McLaughlin, Jr.:** Madam Speaker, this is no longer . . . the Government is having a moment of levity, but this is a very serious matter.

The sense of safety and security which was part of the culture, the atmosphere, the environment of this country . . . I do not want to go so far, because I do not want that to be so—to say it is lost. But it is being lost!

Madam Speaker, we all know what the root causes of much of the crime are. And we have to address them; and, to a certain extent, they are being addressed. There are not enough resources regardless of who is in Government to do the things that need to be done, that truly need to be done. And I am digressing a little bit, because, let me tell you, Madam Speaker, that issue about education . . . we do not have enough money as a country to do what truly needs to be done as far as education is concerned to make sure that every single child has the opportunity that he or she needs.

Putting that aside for the purposes of this point in my argument, we have to deal with the results of all of that now, and aggressively. We have to find a way to stem this siege that we are under. And I could not stand here and say that the Government is doing nothing about it because I do not know what they are doing—they have not said!

**The Premier, Hon. W. McKeever Bush:** Oh, come on.

**Mr. Alden M. McLaughlin, Jr.:** But I can tell you that the fact that it has omitted something as critical as that—omitted!—from the Premier’s speech on the Strategic Policy which his Government is developing for the next budget is very telling and very concerning.

**The Premier, Hon. W. McKeever Bush:** Look at the speech, look at it! [Inaudible] . . . facts, but you cannot say that I did not mention it and I’m going to deal [inaudible] too!

**Mr. Alden M. McLaughlin, Jr.:** Madam Speaker, I ask the Government to reconsider its strategic policy and include a provision which calls for the development of a national strategy against crime, not just the details about border control and improving policing generally, and neighbourhood policing, and all of those things. They may be part of an overall strategy, but we need . . . and they are; they can be. But we need an overall strategy.

This is supposed to be a strategic policy statement. It is supposed to be talking about things at a broad strategy level. As I said, the most concerning thing to me and the thing that ought to concern the people of this country most is that the Government appears not to be giving this key issue the kind of priority that it needs.

It is all well and good, Madam Speaker, and I commended the Premier at the start, to talk about improving the fiscal position. But it will all be for naught if we are all forced to walk around as he does, with a police guard; if we are all forced to live in houses with big security systems or burglar bars and have to worry about where we can travel during this night or that day. That is not the kind of environment that is going to attract anybody here. In fact, that is not even the kind of environment any of us would want to live in who were born here and who have our roots here!

We have a duty as legislators—and the Government has the principal duty, as those who now steer the good ship *Cayman*—to do something about this. At least say something about it! Tell us something! The silence about crime is deafening. We hear about everything in the world, but rarely do we ever hear the Government address this issue, which is destroying the country.

If I might have a moment, Madam Speaker—

*[pause]*

**Mr. Alden M. McLaughlin, Jr.:** Madam Speaker, thank you for your indulgence.

I wish to conclude my contribution with the issue of Government borrowing. Madam Speaker, we have heard . . . I should not say that. Madam Speaker, in the last budget this House approved through Finance Committee, the borrowing of some \$155 million to support Government's capital development programme and to help fund the shortfall in recurrent revenue. There is in this budget in the SPS for 2011/12 . . . there does not appear to be any sum proposed to be borrowed, although in his speech the Premier has spoken about limiting borrowings to \$25 million a year.

Over the course of the past few months there has been much discussion and much controversy over the borrowing by Government of their \$155 million, and, perhaps, other matters, including money for Cayman Airways and so forth. But the position, I think, is still very murky as far as most people, and certainly as far as I and the other Members of the Opposition are concerned about where Government is in relation to this whole issue of the national debt and, in particular the most recent borrowings and proposed borrowings.

I would have expected that during his speech the Premier would have sought to shed some light on where the Government is in relation to all of these things.

Madam Speaker, there are a number of hints in the Premier's speech that the tendering process is in need of revamping, restructuring, that there are going to be changes in Government boards to facilitate the tendering process. When one takes all of that in the context of earlier public utterances by the Premier about the CTC process, particularly as it related to the award of the financing contract, or I should say . . .

Not the award as it related to the tendering process in relation to this award of \$155 million of financing for Government.

We would have expected that the Premier would have said something about it. There has been talk about the consolidation. I hear it from time to time. But the consolidation of government debt generally and how all of that is going to be handled and managed. But the Premier has been strangely quiet about all of that.

Madam Speaker, after the controversy which arose after the Government gave the financing contract to Cohen, following disagreement with the results from CTC, the Premier went on national TV and radio and made a statement. He came to this House and he made a statement. But none of that indicated that there had been finalisation of this important matter. In fact, just not important, crucial, critical to Government's Strategic Policy. Because without that funding there is no way that any of the major projects are going to get completed. There is indeed a question as to whether or not Government will have sufficient monies to just go about the day to day business of running the country.

So, Madam Speaker, I would have expected that at this critical juncture the Premier would have been able or would have wished to say something about where this deal with Cohen actually is. That whole situation leaves much to be desired. The whole way that the business of Cohen winding up with the contract leaves much to be desired. Now that that has actually been done, I believe it is high time for the Premier to tell the House and to tell the country what the deal really is, because it is one of those curious deals where there has been an award, but the country, perhaps not even the Government knows what the terms of the arrangements actually are.

*[Inaudible interjection]*

**The Speaker:** Order please.

**Mr. Alden M. McLaughlin, Jr.:** And so, Madam Speaker, I know that this sort of discussion disturbs the Premier.

**The Premier, Hon. W. McKeever Bush:** The lies *[inaudible]* . . .

**The Speaker:** Ah . . . be careful.

**Mr. Alden M. McLaughlin, Jr.:** But I regret to tell him that there will be more discussions about this. There will be many more discussions about this as time wears on.

But, Madam Speaker, I would invite the Premier to tell us where the process is, tell us what funds the Government has actually received so far, to tell us what the cost of this funding is going to be, both in terms of the upfront fees which are going to be paid to

Cohen and in terms of what the interest rate is going to be.

I believe that this amount of money and, in particular, the curious circumstances under which this award has actually been made require a forthright and expeditious explanation from the Premier and on the occasion of the Strategic Policy Statement—

**The Premier, Hon. W. McKeever Bush:** [*Inaudible interjection*]

**Mr. Alden M. McLaughlin, Jr.:** And on the occasion of the Strategic Policy Statement for the 2011/12 year it is important that the House and the country know and are certain that the funding to implement those strategies is in place or will be in place. So, Madam Speaker, it is in that context that I raise this issue.

Madam Speaker, it has not been easy to reply to the Strategic Policy Statement and the supporting speech by the Premier given the very limited time which we have had to consider the matter. But I hope that the observations I have made do spur the Government to rethink, reconsider certain aspects of its policy and that in the end the result will be something that is in the national interest and in the best interest of the people of this country.

I thank you, Madam Speaker.

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

Can I inquire whether we intend to pursue the House after 4.30?

In that case I think we should take a short break now so that when we come back the next person's speech will not be disturbed. Fifteen minutes please. And please be back in the Chamber in that time. Thank you very much.

**Proceedings suspended at 4.06 pm**

**Proceedings resumed at 4.41 pm**

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

We need a motion to raise Standing Orders to continue the business of the House after 4.30.

**Suspension of Standing Order 10(2)**

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, we propose to suspend Standing Order 10(2) in order for the House to continue after 4.30.

**The Speaker:** The question is that we suspend Standing Order 10(2) in order for the House to continue after 4.30.

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

**Ayes.**

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

**Agreed: Standing Order 10(2) suspended.**

**The Speaker:** When we took the break the Third Elected Member for George Town had just completed his contribution.

Does any other Member wish to speak?  
[pause] Does any other Member wish to speak?  
Fourth Elected Member for George Town.

**Mr. Elvio A. Solomon:** Thank you, Madam Speaker.

Madam Speaker, I read a line from Winston Churchill. The line says something to the effect of the three most difficult things in life, I believe he is quoted as saying, are 1) to try to climb a wall that leans towards you; [2]) trying to kiss a girl leaning away from you; [3]) and trying to give an after-dinner speech.

Madam Speaker, as I heard the Third Elected Member for George Town speaking, and all of the extreme difficulties that he went through in terms of that delivery, it became blatantly obvious that he had a very large dinner because, unfortunately, it never ceases to amaze me that the Opposition Members are going to try to find every way that they can to offer criticism for what this Government is going and trying to do at every turn, Madam Speaker, and have done.

Madam Speaker, I suppose I will start by saying that I do thank the Third Elected Member for George Town, because I believe he gave me a compliment insofar as my efforts in the Government. I think he may have particularly mentioned one of those things, and that was in terms of the clean up project. And, Madam Speaker, I believe that his good words were something to the effect, and I paraphrase, Madam Speaker, that no one should deny something that they deserve. So, first of all, I thank the Member because in so doing I believe that we fulfill what God would have us do.

But, Madam Speaker, I hope at the same time that the Third Elected Member for George Town does not believe that in offering what I would consider to be a truthful, honest compliment that it is going to mean that I am not going to address the issues that have to be addressed.

Madam Speaker, I have mentioned in this honourable House before that I am a father of three children. Difficult, perhaps, for some to believe, one is 22, one is 18 and the other one is 10. And I know the difficulties in having to correct children, perhaps put a flogging on them when you prefer to be doing something else. So, Madam Speaker, I have to address some of those issues that were raised.

Madam Speaker, I seek to not take too much time, and I do not want to do it in an arid way that is going to bore the life out of those persons which I hope are listening. As we get into things like the SPS or the Strategic Police Statement and we start to talk in certain terminologies and the deficits and the so

forth, Madam Speaker, I believe we could perhaps lose persons.

And I love as much as possible, Madam Speaker, to be able to make sure that analogously I can convey a message that has to be conveyed. As one person who I know passed through this honourable House always says, educate, enlighten and elevate. And that is what we seek to do, at least I definitely do, Madam Speaker.

Madam Speaker, when I heard the Third Elected Member for George Town speaking about all myriad of issues, whether it is going to be processes or issues of crime or anything that Member spoke about earlier on. Madam Speaker, I wish to convey to this honourable House and to the members of the public that when this Government or any government does what it has to do insofar as the limitation and the powers that we have—because I want to speak a little bit about that as well. But when we do those things, Madam Speaker, let it be fundamentally understood that we are addressing all of the concerns that are being raised by that Member.

You see, Madam Speaker, really at the end of the day . . . and it is one of the reasons I feel compelled to stand, it really hurts me to actually see how we as elected officials, unfortunately some more than others, it is this back and forth in this honourable House, Madam Speaker, tearing at each other . . . You see, because when it is election time out there, it is what many of us call a zero sum game. And to simplify that, two people running in one particular district, what vote does not go to one goes to the other. So it is a zero sum game. So if I beat him and he loses a vote, then it has to come to me. That is what we call simplification of the zero sum game.

But, Madam Speaker, we have to get to a point of maturity, in case the Third Elected Member for George Town does not realise it, that in this House it is not about zero sum game. Because in reality, Madam Speaker, it is a situation where right now . . . and I have seen it in my 18 months and wish to convey it to the public, for those persons who voted for me and even those who did not, because I serve all of them. When we fight amongst ourselves in this honourable House after the election is finished and we tear apart the Government whichever government that may be, wrongfully, Madam Speaker, and lead the general public to believe that a government can do something when it cannot, Madam Speaker, we are hurting ourselves and we are hurting the people in this country.

The Bible says that death and life is in the power of the tongue. And that is what it is, Madam Speaker, because we are killing our people with that because they are running around now, Madam Speaker, if you listen to the Third Elected Member for George Town . . . the good people out there, some of them may infer that this Government can and should do more about this issue about crime. It leads persons to infer that almost we have the ability to get up today

and to direct the Commissioner of Police to direct every police officer and say, *Here is what I want you to do; stand guard at the bank*. Like we can form more of those strategies. That is what you would walk away with, Madam Speaker, if you listen to the Third Elected Member for George Town.

What positive effect is that going to have in the community when the general public is looking at you now insofar as this Government, the governments of the future, inferring that you can do something directly about the issue of crime when you cannot. Does that serve him or his opposition or perhaps future government, whenever that may be? How does that serve any government and how does that serve the country?

I believe it serves this country more to stand in this honourable House and we should have been doing it, perhaps, since 1942, 72, 82 would have been good, but at least we can start today by conveying to the members of the general public the truth as it is and to be able to educate them, enlighten them, to elevate them, Madam Speaker, as to what the true circumstances are.

When we talk about the Government with the deficit (so that we do not lose ourselves in the woods) . . . Madam Speaker, the general public, many of them right now have been going through deficits for some time. And just for the clarity so that the general public can understand the position of the Government when we talk about a deficit, and why that in itself is a major accomplishment, because unfortunately another evil that we have is if I cannot see a building go up, then nothing has been done. That is what the Member for East End refers to as “tangibility.” Oh, it is so easy, Madam Speaker, take \$10 million, \$1 million, whatever that figure may be, construct something, a road, a building, and the whole world is impressed because they can see something tangible that you are actually doing.

Madam Speaker, when we truly look at it and we start to ask ourselves what are the things that are really making a difference in people's lives, what really makes the difference? And I can start, Madam Speaker, from the simplistic one of saying you would do a world a good right now if you even got on the phone and called someone and told them that you loved them. That is intangible, but it makes a difference, Madam Speaker. And we can go right up the list.

And there are many other things, for example, one of those being that when the Government gets up and addresses this deficit that we have, it is arguably an intangible because you are not seeing a building go up, but, Madam Speaker, it is making a world of difference.

Madam Speaker, when you have a two person household insofar as you have a mom and you have a dad and they are providing for their home. And collectively they are making some degree of monies. And if we added it up and said, just for the sake of

argument, that each one was making \$25,000, then that means that each one of those persons who is making their \$25,000 which, when you add it up collectively is \$50,000, each one of them is making their 50 per cent contribution to the household.

And if I stopped there, Madam Speaker, and I said that each one of those individuals providing for the family is making a 50 per cent contribution, which family today, Madam Speaker, listening to me, knowing that the mom and dad are making each their 50 per cent contribution, is not going to be concerned when one of them starts to wobble and perhaps is going to miss work or, even worse, potentially lose their job? Who is not going to concern themselves about that? They are going to concern themselves because they know that they have the potential to lose 50 per cent of the revenues coming into that household.

And, Madam Speaker, when the Honourable Premier spoke, he talked about the financial services industry and the contribution that it makes to the revenues of this country. It is 40 per cent. So, joining to what I said earlier on just now, Madam Speaker, insofar as the household, 40 per cent of your funds coming from one industry alone. What does that say to you? It says to you, Madam Speaker, commonsense says, Madam Speaker, it dictates that you have to make sure that you can work with that industry, provide them with some of the things that they need. Why? Because in helping that industry, Madam Speaker, unlike what the Opposition would try to sell this country, that anything this Government does it is all about big business, it is all about a foreigner, it is all about this, but it is nothing about the people. No, Madam Speaker.

Just like the members in that household, the mom and dad who are going to concern themselves with the individual who is providing 50 per cent of the revenues, they recognise that that is how they pay the bills. That is how they pay the electricity bill, water bills, put food on the table for themselves and for their children. It is the same way we are going to concern ourselves with the financial services industry, because as the Premier says, it brings in 40 per cent of the revenues. Forty per cent of the revenue that the Government collects — that is a large amount of money.

And on top of that, in his SPS, which again I did not hear the Opposition mention, it provides large amounts of employment for our people—60 per cent of the persons employed in the financial services industry are Caymanian. Is that not worth mentioning, Madam Speaker? Is it not important to tell our people . . . and again, a basis. Here is why we are trying to do it. Not so that you can create difficulties for now when it is your turn to serve the people as the Government. Tell them. Inform them. That is what they pay us for. Inform them, and say 40 per cent of our revenue is coming from them; that is why we are trying to work with it. They are providing employment for 60 per cent of our people.

And we are not going to sell the country out, but if we can accommodate them, Madam Speaker, if we can work with them to maintain the business that we have, and to grow, encourage additional business, Madam Speaker, that is what we have to do as a prudent Government. And that is what the Premier talks about when he talks about the right direction. That is what he talks about when he says we are trying to make sure we can facilitate those businesses when he talks about the financial services industry.

It is not because we are not concerned about our locals, because as the Third Elected Member for George Town talked about, I am out there asking my Government insofar as many things. And the one that he mentioned, about the cleanup project, because there are persons in this country that are unemployed. And many of them need skills, Madam Speaker. They need to be trained up in order to make sure that they can hold jobs. It is an unfortunate situation. And this Government is working to make sure that we can do that on a short, medium, and long-term basis.

But, Madam Speaker, the Third Elected Member for George Town is talking about, well, what is the Government doing? And he says, not to point to what is going to happen in the future, but what is going to happen today?

Well, Madam Speaker, in line with the discussion I gave earlier on in terms of the household out there making 50 per cent revenue from both contributors, if I ask the members of the general public when they are in a situation because to tie the deficit to them, here is what the deficit means, it means that when they are now making their \$50,000 collectively, Madam Speaker, if they were to project that they were going to be in a situation where they were \$8,100 short at the end of the year, what would the members of the public do knowing they were going to be \$8,100 short at the end of the year? That is our \$81 million deficit. That is what we found. That is what we inherited.

What would the families do? They are going to do in their households the same thing this Government has to do, as tough as it seems. They are going to have to cut back. Turn the lights off wherever and whenever possible. Cut down on the water. Maybe not eight showers a day. Try two. Whatever they can do, Madam Speaker. Maybe they will not go to the restaurants as frequently as they were before, or the cinema. They cut back on their entertainment budget. Whatever they can do, Madam Speaker. Where they had two cars, perhaps they use one. Those are the sacrifices they would make in their individual families in order to make sure that they can remove that shortage, that shortfall they are going to have of \$8,100. That is what they are going to do in their households to be able to deal with the deficit.

And I will tell you something else that they will do. If they can go to their boss and there was an outstanding overtime that had been waiting to be paid a long time ago that the boss said we will pay that, well

they are going to go, hopefully respectfully, Madam Speaker, and ask them if they can get the overtime now. And they are also going to ask them if they can work extra hours. And it is not because . . . so, if the father of the house or the mother of the house is not going to the boss to ask them if they can work longer hours because they do not care for their children, they do not want to spend time with them. No! They are going to ask the boss if they can work extra hours because they care for their children and they need to make the extra money to balance that deficit, that \$8,100 that they are short. That is what they are trying to find. And they are not trying to find it because they do not care for their children. They are trying to find it for exactly that reason, because they care.

And that, Madam Speaker, is the circumstance, analogously. Madam Speaker, the Government finds itself . . . it found an \$81 million deficit. And with hard work of the Government, of the many civil servants who have also made their sacrifices, because everybody got a pay cut . . . see? Again, like I said in the family unit, they are going to say, *How can we cut back on this budget? Cut back on that?* That is what everyone had to do. All of these cutbacks. Why? Balancing the budget. Closing that line on the deficit.

The general public also, Madam Speaker, if the Third Elected Member for George Town, if the Opposition is going to speak honestly, is in the same position also making their sacrifices.

He talked about the increase fees that the Government has. I believe, Madam Speaker, that there have to be very few members of the general public that would not [with] commonsense reach the same position that if a Government has money, surely it has to be easy to spend money, surely they have to recognise that it is not politically expedient to simply say, *Let me tap another charge onto the general public.*

So why are we putting the charge? Because the reality of the situation is, Madam Speaker, that we, unfortunately, find ourselves in difficult times. And it means all of us have to row a little harder. That is the reality, Madam Speaker. And it may not be politically expedient for that Member of the Opposition, the Third Elected Member for George Town, or perhaps other Members on that side to say, but that is a reality.

When the Member talks about crime, well, first of all, I know about crime, Madam Speaker. I have seen it. I am 41 years of age. I know what it is to walk the streets of tough neighbourhoods. I do not have to call them, because everybody knows it. We know the neighbourhoods. And I walk them. And, I will add, I really do not remember seeing that Member there.

But, Madam Speaker, I saw it with my own eyes. Whether it was drugs, prostitution, whether it was numbers, Madam Speaker, it is all there.

And there is another evil I see being propagated in this country too, Madam Speaker, and this is this thing of, *Oh well, people have to rob. Times are just hard.* What are we fostering? What is that?

Madam Speaker, I have seen people both in this country and outside living in worse conditions, horrid positions. And that moral principle that they have which has anchored them for a lifetime does not cause them to go and rob and steal. They may borrow and they may beg, Madam Speaker, but they do not steal. I really want us to think.

The Opposition needs to think about really what it is that they are fostering. God says he is not the author of confusion. That must suggest that he wants clarity. That means truth. And talk about really what the issues are and let us say to our people, so that we do not encourage them to put little stickers in a draw and say I need work, and, all of a sudden we are going to run around as a country and some individuals are going to use that as a justification. No, Madam Speaker. We have to stamp that out.

I remember reading in the good word something to the effect, I paraphrase it, *If a man steals because he is hungry the people will forgive him.* Madam Speaker, I got the same impression from that that it was a situation where an individual if he even did come into your house, he did not take your TV, he did not take your jewelry, he went into the fridge and took a ham sandwich . . . I am using analogies, Madam Speaker, because that is a person who was simply hungry and needed something to eat.

But, Madam Speaker, and I mean it with all of the gravity that can be mustered, we are setting this country on a really, really bad path. Because when we are going to have anyone in this country, and in particular, elected officials, it is going to foster that sort of an attitude, *Do what you have to do, times are tough . . . just because you believe it may get you elected and to sit on the west side of this House, Madam Speaker, we are in a sick, sad, decrepit position, and the country will suffer deeply as a result of it.*

So, I want to encourage the Third Elected Member for George Town and all of the Members of the Opposition, irrespective of how they may flower it up and butter it up to make it sound good and that we all care and let us just get along, Madam Speaker. We need to stop that. And I believe that the people of this country want and need to hear the truth. And they want to hear that we are actually working for their benefit.

Madam Speaker, I am going to say it also from a position of the UK. I heard the Premier mention a few days ago about one of the Ministers mentioning about the Cayman Islands and why they are not fulfilling this agenda of making sure that we were going to go down this road of taxation. Madam Speaker, I say to my people out there, let us not underestimate that. The UK . . . many of these other countries are all competitors. And I am not saying everyone in the UK, Madam Speaker. Just for clarity, there are certain persons in the Government, certain persons with those agendas, Madam Speaker. That is what they are seeking to fulfill.

So, we can sit here and fight amongst ourselves and lose this country because, as I said, in here it is not zero sum game. When we lose it in here, Madam Speaker . . . or, sorry, let me take a step back. When we lose it out there on the zero sum game, we do not make it in here. When we lose it in here, this country is going to someone else. And anyone who in this country right now, and I challenge them to get up another day and tell me that I am wrong. Anyone who in this country right now does not recognise the full authority that the UK has, the power that they have, they are making a sad mistake. And all we do in this House is find ways that we can whittle it down and just make it that, yet again, the elected officials have less power to do, less power, less power to do for their people.

It will soon get to a point, Madam Speaker, that it does not even make sense to come down here because the Member is right when he talks about the fact that people are suffering and that people are hurting. And, Madam Speaker, again, they conveniently skip the facts. Because if I get back to the household, Madam Speaker, when is it easier for that household to do for their children and for their family? When both are contributing 50 per cent, or all of their money? Or when they are falling short of \$8,100? That Member for George Town never stood in this honourable House just now and talked about the fact that when there was money in the country during the last four years . . . he never talked about it.

And here in the difficult times . . . we are in the valley, Madam Speaker. You hear about the valley and the shadow of death, this one in despair? That is where we are right now. We are in the valley of this economic recession. And, yes, I can knock my hand on the table and I can ask the Government for money; I can ask the Cabinet . . . and I would like to stress that I am not in Cabinet, but I am a Backbencher, Madam Speaker, who is trying to do for his people. And I can knock my hand on the table and I can ask. And, do you know what? Our Cabinet members can still go digging and find in these difficult times a million dollars and possibly two. In all of these difficulties they can still find it, Madam Speaker, to help 600, 700 or 800 people to be able to put something on the table for Christmas and for the New Year.

And when that Member was in the Government when there was money, Madam Speaker, falling off of trees, and he was sending down to the very printing to Chicago and building empires to himself, could not get \$200,000 to provide work. Not one Caymanian down on the jobsite swinging a hammer. And that is when the country was bountiful, that is when we had seven years of bumper crop. Now we have seven years of famine, Madam Speaker, and he has the audacity to stand in this House and say you need to do something now.

No, Madam Speaker. The people of this country need to say and understand, Madam Speaker, that individual neglect from that side of the House, that is

why they are there. And so, Madam Speaker, I am thankful that we have a caucus, we have a Government that in these difficult times can still squeeze, can still pinch . . . and I am still asking the Premier for a little bit more. I know he is going to find it.

Making touch decisions at the end of the day to be able to help our people in these difficult times and contrast that with a government for the last four years, Madam Speaker that had money coming off of the trees. Borrowing out of the wazoo . . . and ask yourself, Did they hire anybody to clean a street when people were hungry? Were construction workers getting any work? No! Did one affordable home get built when there were over 700 applications? No! Not a single one. Even down to the plans . . . they had a porch you could not even sit on.

Ridiculous, Madam Speaker! I do not even know how they have the audacity to stand on the Floor of this House . . . it makes me scratch my head. I do not understand it. It is like, have some shame!

Madam Speaker, let us even look at the housing . . . all of the money that that Government had. When they talk about people hurting, I am going to call again for the family out there who is listening they are going to agree, Madam Speaker, that they can do for their family more when the mother and the father are working as opposed to when one of them has lost their job. Madam Speaker, anybody out there in the listening audience understands that. So, when the PPM was in power, both engines were running on the boat, and they could not do for the people, they have the audacity to stand over there now with one engine running and say, We have to do it; and we have to do it now? There is something wrong, Madam Speaker.

So, we talk about finding a million, two million, while we are in this valley of despair, economic recession, to do for the people in the clean up. Let us go on to the housing.

That group over there on the east did not do anything; not one house was built. And here we are again, Madam Speaker . . . my good colleague and I, the Second Elected Member for George Town . . . what have we done? With little to no funds we have found a way to build homes. Where there is a will there is a way, Madam Speaker. We are building homes in East End, at least 21 of those going down, chipping away, not as much as we would like, Madam Speaker, but 21 more, I will tell you what, than the PPM built!

And now we are going to East End . . . sorry, West Bay, and we are going to build 30 up there. And then we come into George Town and we want to build at least another 30 here, and we are going to try to get another piece of land, and we are going to try to build more too. And do not forget Bodden Town.

Madam Speaker, they cannot say that we are not doing something, because when he talks about these people that are suffering, it is some of the people that he did not give a house to, that he did not lend a helping hand to, it is somebody he did not give a

photocopy to. I heard him stand in this House and talk about one individual (I will not call his name) and how the individual was talking about his business failing due to permit fees. Madam Speaker, that same individual (which I will not mention his name, because it is not necessary), that same businessman, was the one that was complaining that that Member, the Third Elected Member for George Town, would not even give him the printing job; that he sent it to Chicago. That was the same one making the complaint.

But you see, yet again—

*[Inaudible interjection]*

**Mr. Ellio A. Solomon:** Printing for the plans. That is the same small business owner that is talking about the fact that that Member from George Town would not . . . you heard that story in the Bible about Lazarus asking for the crumbs off the table? Well, Madam Speaker, when you are building \$200 million in empires for yourself, trust me, copying for the prints at the schools would have been crumbs off the table, and not even that—not even that he gave that business. But he has the audacity to stand in this honourable House, play like he is all lily white and demand that this Government—when we are sitting here in the valley of Elah about to face Goliath in this economic recession—does more! Unbelievable! Tell me it is not so!

So, Madam Speaker, yet again, we see that when the Government builds houses what does that mean? How does that make us do our part, what is within our sphere of influence to deal with issues like crime? It means, Madam Speaker, that under his administration when one person did not have a house, if there was a reason, if there was an inclination, it was increased, during his administration when they did not have a house, as opposed to somebody now having a house.

I believe, Madam Speaker, housing means something to me. I made a big deal about it during the campaign. I continue to make a big deal about it every day because if there is an evil we have in this country, it is what we talk about these single-family homes. Everything at the end of the day starts and ends there. Politics, economics, it does not matter what it is. Everything we are doing is to be able to serve that family unit, to be able to make sure that they can have a comfortable living. And we do that by way of education, by employment, by healthcare, and by housing.

That is one of the reasons, Madam Speaker, again, even with respect to the SPS, because we are talking about policy, that I brought up this issue about the pension. Why? Because housing goes beyond simply building those affordable homes: it is about looking into the future and saying, I recognise today in the present how difficult it is for a person to own a home. Outside of the Government homes, the cheapest you can get a home for is \$200,000. Well, just keep adding inflation and ask yourself, How much is it

going to cost to get a home in 5, 10, 15 years? It is going to be very difficult, Madam Speaker.

And every day we see that those houses are coming out of the reach of our Caymanian people. And I, Madam Speaker, am trying to do something about that. I am trying to make sure that even getting access to that pension that that Third Elected Member for George Town neglected, did nothing about, not one single recommendation made in the Mercer Report on March 26, 2007, not one single thing was implemented. So, the people lost their money and continue to lose it. And I am over here with a little bucket trying to scrape up what is left, and he is now going to scream at the Government and say we are not doing enough, we need to do more. No, Madam Speaker! We need to be fair.

Employment Law? That was the Member who was responsible for labour. In four years, Madam Speaker, the public needs to understand that that Member that just stood there lily white, you would get all kinds of pretense, Madam Speaker; sat there for four years on this side of the House. And do you know the one thing he did with the labour? He changed the title of the department and changed the label on the front. That is it! That is what his contribution was to the unemployed Caymanians. He cannot stand there, Madam Speaker. It is unfair. He cannot stand there and point fingers at this Government.

Why do it about housing? Why do it about employment? Well, just look at me and my colleague. My colleague and I, Madam Speaker, even with respect to the housing, we could have gone, just like he did, ship off a lot of stuff and got some foreign contractors. We could have done the same thing, Madam Speaker.

Just the other day we did a pre-signing, Madam Speaker, and that is going to be formal soon. Just the other day, good 20-something contractors, local, all local contractors, Madam Speaker, building these affordable homes. That is . . . tell me . . . in recollection, Madam Speaker, when was the last time that you had a Government . . . I have been speaking to small contractors. I had two of them call me almost in tears. When is the last time you have had a government that has not just paid lip service to it, Madam Speaker? I am proud to say I promised it in 2009 and I am delivering that. I am delivering it, Madam Speaker, because I am making sure our local contractors are now getting work.

When the Third Elected Member for George Town was spending millions, hundreds of millions of dollars, they could not swing a hammer. And, yes, [we] may be building some small, little homes; that is all we are building, Madam Speaker: a few small homes. But what we have we are willing to share; we are willing to make sure that we get maximum benefits. All of the material is being bought locally. All the labour is being done by local contractors.

And then the question is: What are we doing?

Madam Speaker, whether it is crime . . . whatever he wants to talk about, this Government is doing a lot, Madam Speaker. We are doing much with very little. And they, on the other side, did very, very little with very, very much. That is the contrast, Madam Speaker.

Madam Speaker, another thing I wanted to point out when we talk about all of these tendering processes . . . Because the general public, once again by these persons on the Opposition running out there, getting on the talk show, screaming, thumping their chests, you would swear that they were the largest patriots ever born. The fact of the matter is, if that Third Elected Member for George Town could not do it when he was here for four years, if he still has no will to do anything about it now, Madam Speaker, we have to recognise that there are things that we need to work towards changing in Government.

Madam Speaker, anyone, again, from a purely common sense position, if I said to you that I have a law, and this law . . . because I had this meeting with the Governor and I will expose it. I had a meeting with the Governor and I said this same thing to the Governor because the people of George Town knew what they were electing when they elected me. I told it to the Governor. I said to the Governor, I said, "Your Excellency, you cannot tell me that the United Kingdom reached the position it reached in this world if it were operating in war time like it operated in peacetime." No! No, Madam Speaker!

This country here does not have that sort of battle. We do not have Churchill in the front line in terms of that type of battle, Madam Speaker. But these are some difficult, dark times. And when somebody is trying to say that this little piece of cookie cutter legislation that was built for peacetime is also supposed to work while we are in this valley of despair, Madam Speaker, they are making a mistake. They are wrong!

You see, Madam Speaker, when I walk in to a cinema, I walk in, in an orderly fashion. And when the movie is over I get up, put away my popcorn, throw it in the garbage, and I walk out in an orderly fashion. But I am going to do it totally different if there is a fire. I am going to use exit doors that I did not use before. That is the realities of life. That Member does not understand that.

So, Madam Speaker, at the end of the day we need to be able to work to fix these processes. That is what the Premier is talking about. When we sit here as a Government trying to get an RFP (a request for proposal), and just so that I can take the aridity out of that one, Madam Speaker, carry that back to the family. A family wants to get up today, the same family with this \$50,000 income, both family members contributing their 50 per cent, decide that they want to build a little one bed-room house for their daughter. Why? Because they love and care for her.

And so they are going to put together what we call an RFP, a request for proposal. They are going to

say, *Here are some of the specs. I am looking for something this size, this tall, this wide, I am thinking three doors, I am thinking four windows . . .* that a simplistic analogy of what an RFP is.

And we are going to tell us that if we are going to build a port in this country and that anything we are going to construct is going to take one year to put that together? Madam Speaker, the general public is not going to tolerate that it is going to take six months for somebody to put together something simply to get a one-bedroom apartment built for their daughter. Why should this Government, that was elected by the people, sit down and tolerate any administration taking a year to get an RFP while we are trying to do for our sons and our daughters? The people of this country. Why? No. There needs to be changes, Madam Speaker.

So, if that Member or any other Member of the Opposition can run out of this parliament and confuse the people, *Chicken Little, the world is coming to an end . . .* but, Madam Speaker, I know my people. And I have said it before and I will say it again, *Lies are like a Ferrari—very quick and they look pretty. But the truth is like a Mac Truck—he comes very slowly carrying a big load and when he parks nobody ain't moving that.* And that is the situation here, Madam Speaker. The truth has arrived.

The truth has arrived and the truth is that the report card has been marked and that PPM Administration has been weighed and found wanting! Because they did little-to-nothing with very much! And irrespective of how persons want, who may choose, even on their side, to criticise this Government, Madam Speaker, I will tell you what. We are still managing, just like with the clean-up, just like with the housing, just like five contractors being signed up, local contractors, for the schools, just like with respect to labour, just like with respect to pensions, just like with respect to human organ and tissue transplant, just like in respect of anything, Madam Speaker. The persons are going to see that we are doing are best, we are trying our hardest and at the end of the day we are doing very much with very little.

That is our report card, Madam Speaker. And the thing to reflect on is that irrespective of how wobbly you think this ship may be, or how rough the waters may be, Madam Speaker, the general public knows and can assure themselves, because they understood it in 2009, and they understand it even more in 2010, that regardless of how bad it will be, thank God it is not the Members from that side of the House driving it or it would be a lot worse! A lot worse!

So, Madam Speaker, I am not going to go on too much. I really wanted to get up and parentally, in a very nice way, proverbially flog the Member, because I think he deserves it. But, Madam Speaker, primarily I wanted to address this issue. And I put this in closing, because I believe the Premier needs to speak. He wants to speak at 5.30 particularly. But, Madam Speaker, I raised in that contribution, and I encourage

all of those persons that would give a just ear to what I have to say to consider it, to really consider what it is being propagated in some news forums, Madam Speaker, wherever they may be, what is being propagated by the Opposition.

Madam Speaker, all of that, just like the good word said, *death and life is in the power of the tongue*. And, Madam Speaker, I hear some very irresponsible things coming from some Members on that side. And I can say this: You cannot carve a future cutting corners. And they may think that they are getting a short cut, but in the long run we lose it all. Mark my words.

I have learned the hard way, Madam Speaker, and I love analogies. I will give you another little story before I sit down. When I was in one of those very disadvantaged areas that I did not see the Third Elected Member for George Town in when I was growing up, I remember on one summer vacation, Madam Speaker doing some little cartwheels, spinning from your hands to your legs, a bit like what the PPM did for four years. I was doing some of them. And then after you do that, Madam Speaker, you get a little dizzy. Just like the PPM did in the last four years, a little dizzy.

Then I tripped and I fell because I was dizzy on a barbed wire fence. The same thing happened to that administration. And I got a piece of barbed wire in my leg. And do you know what the reality was? I was there lying on the ground feeling guilty, first of all, because it was all my fault. Just like them. And I was in pain. Now, Madam Speaker, here is where it changes. All of a sudden now, this Government is the one dealing with the pain, you see? They get out. But I am lying there with all that pain and my leg with that barbed wire, and I have a very, very tough decision to make.

I can sit there a little bit longer and deal with that pain in perpetuity, or I can face the really harsh pain it is going to take to pull myself off of that barbed wire. But the reality of it, Madam Speaker, is that I had to do the latter. I had to find it in myself, the strength and the courage, to pull myself off of that barbed wire so that I did not have to sit in a life of pain.

And I say all of that, Madam Speaker, because that Member does not have to tell me about difficult times. He does not have to tell me about what it is like to go home and not have something to eat, to look in the fridge and find Guava Dulce and Carnation Milk. He does not have to tell me that. He does not have to tell me what it means to hope you can get up tomorrow morning and do everything that is necessary so you can catch a bus to school. He does not have to tell me that.

He never saw the fighting and violence that I saw, Madam Speaker, but I understand. I say all of that with my little barbed wire analogy because I understand the pain that our people are going through, Madam Speaker. But unlike them who are encouraging in this country cowardice and everything else, I am going to say to my people that I have in that particular regard no short, easy answers. I have been delivering

on my promises, Madam Speaker, in housing, pensions, I am doing everything I can. And I call on the same way, Madam Speaker, because there are no shortcuts. We cannot carve a future cutting corners. I call on my people in the same way that are going through that pain to say even, Madam Speaker, in all of that pain, yes, I have to stand right here and say, as difficult as it may be, we have to find the strength to push a little bit harder.

That is what we have to do, Madam Speaker. No shortcuts. That is what we have to do. And I am sorry, Madam Speaker, I say to every mother, to every father, to every child, including my own, I am sorry for the things that the people of this country have to go through. I did not put them into it, but I am [sure that with help from all of my colleagues we] will do what is necessary to see if we can get them out. But I can only do it, Madam Speaker, if all of us can find it within ourselves to push a little bit harder.

That is what it takes. It is going to take it even when we feel like we have nothing more to give, that we find the strength to give a little bit more. And, Madam Speaker, with that, I thank you very much for the opportunity to make that contribution.

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

[Honourable] Minister of Education.

**Hon. Rolston M. Anglin:** Thank you, Madam Speaker.

Madam Speaker, the Strategic Policy Statement that has been delivered by the Honourable Premier in his capacity as Minister of Finance is one that provides hope in the time that is troubled.

For the world over in Legislative Assemblies, Parliaments, Houses of Assembly, Legislative Councils, whatever a country's legislature is called, legislators are trying to come to grips with and grapple, trying to put into place policies, drive policies that are going to make their communities and their countries better.

As the Fourth Elected Member for George Town has quite accurately put it, we are trying to do much with very little. Compounding the very little is the fact that we continue to have in the country much political posturing to somehow try to villain the current Government. For, to villain the current Government makes it easier for those who will oppose us in 2013. The fact of the matter, Madam Speaker, is that for many in the country their lives and survival revolve around these four-year cycles.

Madam Speaker, as I reflect on these 18 months and the difficult times in which we live, the grave challenging times in which we operate, I can only say and conclude soberly and honestly to myself that I am proud to be associated with this Government under the leadership of the Honourable Premier in my current capacity as one of his Ministers.

Madam Speaker, if I reflect on the last few months since the Budget and what our Ministry has achieved, doing a lot with very little, and I look at the fact that we have re-organised our secondary schools into two all-through high schools in preparation of the move to Clifton Hunter, so that our teachers and students are all ready to move whenever those buildings are complete, tutor groups, houses, administration is all organised. Having met with parents of Clifton Hunter on Tuesday evening, it was quite refreshing to hear how positive the school year began despite knowing that we would have many, many challenges because of the ongoing construction at the John Gray Campus and the impact that it not only has on that campus, but also on Clifton Hunter.

As I reflect on the fact that we have had to live through cleaning up the mess that was left behind with the former general contractor, yet, Madam Speaker, I am happy to report that we have commenced the tendering and issuing of small works projects and contracts. Already five small contractors in this community through a clear and transparent tendering process have been awarded contracts and works started.

Madam Speaker, we have done much with very little. We have also established the new mandatory Year 12 programme with some eight V-Tech vocational qualifications. We have started our advanced placement college. We have done much with very little. We have done that and reorganised the high schools in a cost neutral fashion, no net new costs to the Cayman Islands Government. I often reflect that if this Government were not the Government what that would have cost the country. I often reflect.

Madam Speaker, good or bad times the key measure to political administration is the capacity to contain expenditure. It is evident and quite clear. I recall the Third Elected Member for George Town, when he was Opposition Member between 2001 to 2005, admitting in this House that if there was one thing that he could say that the UDP had been successful at it was containing public expenditure. Well, that became a runaway train between 2005 and 2009, and now we are having to live with it.

I recall asking the former Leader of Government Business, the current Leader of the Opposition, what was the cost implication, the cost benefit analysis of the Public Service Management Law, and whether or not he had developed, or had ensured that a proper implementation plan had been put in place to bring benefit to the Service for containing costs. I recall the answer being "What would you do?"

If the elected Government is not going to pay particular attention to the cost of running the country, it will be a runaway train. Not *may* be . . . it *will* be!

By nature across the world, public service organisations typically feed themselves alone unless you have a government who has a clear mandate to contain public expenditure. And, Madam Speaker, if you look at this Strategic Policy Statement it is underpinned with doing and achieving more with very little

and recognising that we cannot throw our hands in the air but that we have to challenge ourselves, challenge public servants to step up and do more with little, recognising that we are all in this together to serve the public.

Madam Speaker, we have in the Ministry started a Principals' Consultative Council. While it is in its embryonic stages, I think it is fair to say that it has completely revolutionised the capacity for teacher participation in our system and ensuring that we give an opportunity for a voice for all of our education professionals through their individual principals who have a seat on that council. And that council deals with many issues as it relates to the system. And in going forward, Madam Speaker, it is going to even take up greater prominence as we build more capacity and, quite frankly, as we as an organisation mature and grow up. That council bodes well for the future.

Madam Speaker, if we look at labour. The Fourth Elected Member for George Town brought up the whole matter of labour. We are still in the process of a reorganization of pensions and labour, but we have achieved a lot. And I can confidently say that we will have legislation to bring before this honourable House early in the New Year. But until we recognise that labour and workplace issues have to be completely separate and apart from human capital development, that is the platform upon which we ran as a party and won. And the Ministry is well on the way to achieving that mission where we will have an agency that is charged with not only collecting names of persons, putting them in a database and blindly sending them out on interviews, but evaluating people, ensuring that if there are gaps that we try to address those gaps and make people employable and then match them up with the right interview.

Madam Speaker, for too long in this country we have set our people up for failure and frustrated them. For too long in this country! And I can say that just yesterday I got an update on the project. And we, in the Ministry, are very excited. We even have our draft legislation in place already. But we have to get all of the work done before I take that to my caucus and to our Cabinet. But, Madam Speaker, if anybody knows me, I am not going to run out just because the Third Elected Member for George Town or any other person shouts and cries. I am not going to run out unprepared and create a mess. That has happened too often in this country, where we do not think things through properly. We do not get ourselves organised properly and take our time, consult and then roll out our programmes.

Madam Speaker, most of the programmes rolled out by our Ministry have all been pilots, because we recognise that we have to get the kinks worked out and it is only then that you can truly provide highest impact policies and programmes for the public.

So, we will have established our National Workforce Development Advisory Council. We will, as the Honourable Premier said in his remarks on this

Motion, be looking to roll out additional employment and employability programmes along the lines of the very successful Passport 2 Success.

Again, Madam Speaker, we need to be truthful with the public. We need to be truthful in this House. We have in this country an *employability* issue, not an *unemployment* issue. Our biggest problem is in an *employability* issue. Do we at this time because of the soft economy have some Caymanians that are unemployed who are completely ready for work? Yes. We have too many. And that is one of the reasons why we need to get our projects off the ground, to get good, honest Caymanians who are ready for the world of work back to work.

But, Madam Speaker, we have to be bluntly honest. We have an employability issue and until we address the employability issue, we will never truly tackle unemployment in this country. That will be spoken to at a future sitting in this Meeting, Madam Speaker, as I answer a parliamentary question that is before the House, well, within my Ministry on that very same issue.

Madam Speaker, in these times the other key thing to do is not only to roll out more programmes for educational and training opportunities, but to ensure that we clearly understand and come up with high impact programmes. That is the reason the University College right now has funded by the Ministry to the tune of approximately \$200,000, research in technical and vocational areas that we can provide high impact programmes that up-skill people.

Madam Speaker, it is easy to jump off the ledge and throw something out there. But when we do that, we set our people up to fail. Let me give you an example. One of the things that we are doing right now at UCCI surrounds teacher training. We had to have a detailed study into the programme for which I have gotten much complaint. And, Madam Speaker, in a nutshell, approximately three and a half years ago, I think it was, UCCI rolled out a programme where a person who had a first degree, not in education, could go to a programme that went from September to June on Fridays—one day per week—with 15 weeks of training and the persons who took it up were being told that that would qualify them to be teachers in the Cayman Islands.

Think about that, Madam Speaker. I want all Members to think about that. That is what happens when you are only going for the glitz and glamour and the headlines to say, *Oh, I have a teacher training programme*. It looks good; looks awful good.

Madam Speaker, this . . . as Minister, one of the things I can say about my colleagues is that I keep them updated and they know that until I am ready and have everything done properly I am not coming to them with a proposal. Because, Madam Speaker, when you do that you do more harm than good. And we cannot afford that in education and training. We cannot! Absolutely cannot, Madam Speaker.

I can say that we, as a Government and the Ministry of Education, are—as you see on page 6 of the SPS—you will see that we are ensuring that we address many of those very crucial issues that I have inherited as Minister. So that when we roll out programmes, benefits are going to come to the participants. We are revamping the Early Childhood Care and Education system. It is the bedrock of any high performing education system.

I am not going to come to this country, roll out a half cooked loaf and say, *Oh, I have set up a unit. I have hired this one, hired that one*, without having a proper curriculum, proper registration for early childhood care and education providers, a proper inspectorate programme. All of those are things that the research and work is happening in the Ministry right now as we speak. And I am happy to report that it is almost complete. In fact, the advertisements for the three critical posts for Early Childhood Care and Education went out just this week in the local newspaper and on CS Messages.

Madam Speaker, I say to people all the time that if you take your time and do your research, involve persons of knowledge in specific areas, you will develop programmes that will have high impact. We cannot fall for the temptation of rolling things out prematurely and causing more harm than good.

Madam Speaker, I am also going to be giving a statement to this honourable House on the Cayman Islands Centre for Further Education. There have been some rumblings in the community in that regard. I am happy to report that on my most recent visit to the programme addressing all 200-plus students, meeting with the Further Education Centre advanced placement parents that with any new programme, of course we had some bumps early on. Of course there were challenges early on. You are not going to roll out a programme of that magnitude that is going to go off seamlessly. But, I can say our young people are taking up the opportunity, the majority of them, to acquire additional skills before they have to come out and try to face the world of work, especially in these difficult economic times.

So, once again, Madam Speaker, talking about what we have done, provided the capacity for 200-plus young people to continue to be up-skilled and acquire additional qualifications who otherwise would have been out of this job market trying to find a job, 17-year olds, the vast majority of whom have less than five high level passes.

Madam Speaker, we are well on the way on the right course. Is there much pain economically? Yes, there is. But people, the country, need to rally behind the Government and recognise that we have to act. We must get the projects off the ground. There are certain assets that Government has that do not add any real benefit to having it under the name of Cayman Islands Government. And it would be worth a lot more to some private sector firm. So why not dispose of an asset, if you know it will not compromise

you long term and you can get a high impact benefit short term. Why not? That is what we would do in our individual lives.

If you were in tough times and you have an asset and you look at it and you say, *Well, I would love to have it, but given my particular circumstance, if I dispose of it it is going to make my family survive, be stronger and it will not compromise us long term.* That sounds like a very simple checklist to go through. Madam Speaker, the country needs to accept that these are different times. And in different times you have to do some very different things. And this Government is going to do it, and do it in clear and transparent manner so that whoever wants to tender and bid can do so.

Why is it so important, Madam Speaker, that Government ought to be right now owner of that very expensive General Administrative Building? Why not enter into a sale and lease-back arrangement? Why not? If it is going to provide cash that Government desperately needs, it is not going to cost us anything more and will, in fact provide certain efficiencies that Government itself does not usually bring to the table. Why not?

Many pieces of business that Government has been involved with . . . anyone who knows me, knows that I am a person, I am a fiscal conservative. I believe in small government and that government should not be involved in business. The world over . . . which modern country that has free economies . . . have we not seen government after government get out of public utilities and transportation? Big areas that they used to be in, in Europe and in the United States. That is what is important, Madam Speaker, that we be able to start to see that this little country is in the year 2010 and that we need to make mature decisions because these are mature times.

I cannot help that we grew up very fast. This Government cannot help that the Cayman Islands grew up over night and so other countries had a longer period of time for people to adjust to these structural changes and what is good and what is bad. But I encourage people to read, ask questions. Do not just jump off the cliff because a few people in Opposition said that something is bad. Think for yourselves.

Madam Speaker, we are heading in the right direction. But we need the country to rally along with us to make the crucial decisions, the critical decisions that need to be made so that we can get our major projects off the ground, so that we can have the strategic divestments that will benefit the country long term. We need to work down our national debt. That is not going to happen without strategic divestitures of assets. It is not going to happen.

We cannot, as a generation, leave this level of borrowing for the next generation to grapple with, for the next generation to have to come and find \$40-plus million just in interest payments before Government earns one cent for the year. That is not good, Madam Speaker. That is not good for a community this size.

We must recognise that we need to do something and we need to do it now.

Madam Speaker, I commend this Strategic Policy Statement to the House. I believe that it offers a lot of good for this country and it is heading in the right direction.

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

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 will call on the mover of the Motion to conclude the debate.

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, thank you very much. I am going to make a start, but we will come back tomorrow. I had not expected to do that, but there are a number of engagements that we must attend to this evening, already late. But we will come back tomorrow. And, indeed, we have engagements for tomorrow morning, so we will not be able to start at 10.00, but we intend to start at 2.30 tomorrow evening.

Madam Speaker, I want to thank my colleagues on this side for their debate addressing the issues, in particular the debate of the Third Elected Member for George Town.

*[Inaudible interjection]*

**The Premier, Hon. W. McKeever Bush:** No.

Madam Speaker, the Third Elected Member for George Town . . . I have been paying attention to what I see happening on that side of the House because it concerns me.

Madam Speaker, he began as, Mr. Benson had said about one campaign speech from a lady in West Bay, that had begun with prayer but it was not long before God had been thrown out of the window.

*[Laughter]*

**The Premier, Hon. W. McKeever Bush:** But he began also by putting credit in one pocket and taking it out of the next.

We accept their congratulations, Madam Speaker, but I reject and dismiss their conclusion on the Government's management of affairs.

The Third Elected Member for George Town seemed to be in a very soul-searching mood. And when I say that I have been watching the other side closely, particularly the Third Elected Member for George Town and the Elected Member for East End, I think they are playing for their leadership role.

Madam Speaker, there are a number of things that I have to answer to, that I will answer. I will deal with one of them before we move on to the adjournment. And that is his wild allegation that I had not said anything about crime. Well, Madam Speaker, I did. He

wants to find out what Government will be doing about crime. And he made the accusation that we are not giving the matter priority.

As I said, Madam Speaker, I did mention crime in the broad outcomes. It is in the Policy Statement. It is third of the broad outcomes addressing crime and policing. And, Madam Speaker, when you look at the policy statement, you will see a number of matters that the Government is taking in addressing crime and policing.

- The development to develop legislation to afford better protection for witnesses;
- The introduction of X-ray scanning machine for cargo; (that is being done right now).
- Increase community and neighbourhood policing. (That is being done).
- Increase foot patrols to increase visibility of police officers. (And as we move around town, we certainly see more police officers).
- To strengthen and enhance police community and security services.
- To develop new and amend legislation to enhance policing techniques. (We just passed a new police law and other laws to do that).
- The implementation of alternative sentencing options.
- To continue to improve the overall border control by increased efficiency through cooperation with other law enforcement agencies. (All of that is happening, Madam Speaker).

Madam Speaker, it is great fodder for Opposition and it is, I guess, good tactics to take a very bad situation, one which is a real serious one, as crime is, and particularly robbery at gunpoint. It is great for them to take and use as fodder. Even to mention that I have police security. I have no such police security, Madam Speaker. The Member should really get away from his jealousy and his ranting over the fact that they lost the elections. They had put all these things in place and now I use some of [them]. I do not use all that they put in place for themselves. They have to get over that somehow, but it does not seem so.

Anyway, he no doubt feels the power of the hour where he knows that people are concerned. And that is the one that he chose. That and another one—but I will deal with all of them. Well, he knows people are concerned. We are concerned.

And he, in his most impassioned part of his speech, went on and on about the matter of crime. But he could not resist blaming the Government, our Government. He could not resist that, Madam Speaker. You see, he would not come in? He is still here in the House, you know. Because it is again good Opposition tactics to lay the blame on the Government even when he knows that some of the most heinous crimes were committed during 2005 to 2009.

He went on to make accusations that I had so bitterly complained about criminal activity. When you look at what I said, Madam Speaker, I did say that there was far too much criminal activity and the worse

kinds. I did not really get going on talk shows and talk about it all the time. Nor did I carry on the way he claims. But he said that in order to come back at us. It sounds like some people I had to deal with years ago, Madam Speaker, in campaigns. Say something, blame you for it, and then come back and answer it.

Madam Speaker, some of the most heinous crimes were committed during 2005/2009. There is no one in this House, no one—that side or this side—that I believe is not concerned. Certainly, I am gravely concerned on the amount of and the frequency of gun related crimes. I am a hardnosed believer that punishment should fit the crime. But we are under a different regime which we cannot do anything about because of our constitutional position.

And, Madam Speaker, that Member ought to remember that when we clamour now and talk about we have such a good Constitution, that there is nothing in there except for our being on the National Security Council that gives us the ability to do anything except give the Commissioner support, and we do that.

*[Inaudible interjections]*

**The Premier, Hon. W. McKeever Bush:** But, Madam Speaker, I want to remind this House of where I stand on control of our destiny and the control of policing and the control of pertinent elements of our country that I was not supported on when it came to the Constitution, Madam Speaker.

Yes, I am a member of the National Security Council. But so is the Leader of the Opposition. I laid on the Table of this honourable House on Thursday, 29 July 2004, my policy, a Cayman Islands Constitution for the Future. What did he and his group do? They went out and organised a march against me! They came up there with *wampuhs* and wheelbarrows. They forget. Oh, I was taking the country into independence. They forget. No, I do not forget.

One of the things that I asked for in that paper, which says, and I quote, "Furthermore the Governor should be able to delegate certain powers to the Cayman Islands Government such as matters relating to police." Why, Madam Speaker, I tried to get money from the past administration so that I could go out as an Opposition Member and use the Cayman Islands *Compass*, put articles in full pages in them and using that news, whom they had hired and were paying thousands, if not hundreds of thousands of dollars to, to get their message out on the Constitution.

I asked for that as the Leader of the Opposition, because I wanted to get out to talk to the people, to get their feedback in a majority way. I wanted to get the televisions. I wanted a PR programme so that I could get out there and talk, and my colleagues. When I say "I," I mean the Opposition at that time, to get out there. They did not even answer. They laughed at me! And I mean literally laughed at me when I asked them. Mr. Tibbetts standing right here, laughed at me when I asked of them. And, Madam

Speaker, you would have had a much better Constitution today.

When I went to the United Kingdom, I did not know. I certainly could not support anything that I did not know the people were not willing to support. That was no such matter of controlling in matters relating to the police. We have control of our finance now that we have a Minister of Finance with the Governor still having a veto power. I do not have administrative authority, therefore, Madam Speaker, while I have control . . . can come down here and seek a vote, I really cannot tell the civil servants what to do. I do not have administrative authority.

So, Madam Speaker, that Member is most reckless to come here to make people believe that we should be doing something that we are not. Check the budgets the Commissioner of Police asked for. He gets it as best as we can give. And I am not one of those who is going to stand here and blame the Commissioner of Police because some people might not like him. If I have to take issues with him I will, or I would, or do. But, Madam Speaker, the truth is the capture rate is not that bad. The problem is that there is so much that is happening, we have come to that.

We are not constitutionally responsible. I am a member of the National Security Council, but so is the Leader of the Opposition. This matter is in the hands of the Governor, which the new Constitution left it. How, Madam Speaker . . . it would be . . . it is utterly ridiculous even to think that that Member carried on the way he did in an impassioned way about *I did not mention criminal activity and did not give a crime strategy*.

This matter: how could he expect me to come here and relate to the members of the public, including criminals who would be listening, our crime strategies or the crime strategies of the Commissioner of Police? Madam Speaker, if I did that it would be a severe unpardonable breach of national security. It would be, Madam Speaker.

I believe that the serious rise in robbery and burglary at gunpoint is because of this awful economy that we have—one of the main reasons. And no one can say that I have not attempted to do something about that. The trouble is that some of the things that we could have hired hundreds of people are the bureaucracy is stopping it and they might not want to hear it, and they say, *Oh, he is repeating himself*, but it is a fact. If it is a fact, Madam Speaker, by social science that people who are the people at the bottom at the very lowest levels of standards of living who cannot help themselves, if they do not get a job that they might be able to get out there and carry on nefarious acts, criminal activity, if you may, then it must be true. If that social science is correct, then it must be true that if we had a better economy we would be in a better position.

Now, yes, I believe some of that same criminal activity at gunpoint is because some of it is more organised. Of course! I believe that too. But no one

can say that I am not trying to get our economy up and running where people are employed. It is true that something must be done to stop it from happening. Yes there is a good capture rate. I am a hardliner. But when it comes to punishment, though, if people are not scared to carry or rob at gunpoint because they know the vast majority of businesses and security guards do not have it. So they practically run free. The Commissioner, let us face it has to be at his wits end in a country that he is responsible for, because he is responsible too to the United Kingdom for security and for policing, that these kinds of things are happening. He must be at his wits end. I know I am and I do not have that constitutional responsibility.

We are putting programmes in place. We are carrying on the programmes that were left and we are adding new ones. But how many years have we been doing that sort of work and programmes? From the 1990s I would say when we were in Executive Council a lot of these programmes started. The Second Elected Member for Bodden Town knows that to be a fact.

We live in awful times. We are a developing country. We are one that the lawmakers here do not have the ability, because of the Constitution, to say this direction is where we prefer to go. The administering powers, through the National Security Council, are preparing strategies. But I cannot come here and give those strategies out. It is ridiculous, Madam Speaker.

Madam Speaker, it is important for the Commissioner of Police not to specifically list strategies as criminals and their operatives listen to these debates as well as anybody else. Criminals read the papers as well as anybody else. Criminals are now on television from Northward Prison—I do not know why!

*[Inaudible interjections]*

**The Premier, Hon. W. McKeever Bush:** I'm mad enough about it! We do not need that. We have advertisement on the television that is saying crime is so high you have to do this. Do we need to do this to sell our business? Do we? Is that helping? People confessing from Northward Prison that they control while they are in there.

Madam Speaker, if there is anybody who is at fault . . . I thought whether I should say this. But I will say, Madam Speaker, that those who get the Queen's honors for the Constitution, and now we are constitutionally bound and cannot do anything about some of our problems.

*[Inaudible interjection]*

**The Premier, Hon. W. McKeever Bush:** Government can only speak in general terms as to what we would like to see as we are not responsible for police and police matters under the Constitution. It is a fact. Had we the Constitution that I tabled . . . and, Madam Speaker, guess who that was done by. It was done,

that paper was put together by Professor Jowell, the man that I went out and searched and talked to people and got out of the UK. That was in July. He came in the campaign of 2005, months afterwards, and explained it. He wanted to meet with the Opposition. They would not meet. They would not listen. They would not. They got him back when they were the Government and carried what they wanted to carry.

But I will tell you this: There are enough anomalies in that Constitution to cause us enough problems. I believe that we have reached the time where we should have more control of our own destiny to that extent.

Madam Speaker, I am going to ask your indulgence to stop here and take it back up tomorrow afternoon at 2.30. I had asked—

**The Speaker:** We need a motion for the adjournment. I know that you had requested to lay a paper on the table.

## ADJOURNMENT

**The Premier, Hon. W. McKeewa Bush:** Thank you.

Madam Speaker, we propose to adjourn at this point and come back tomorrow at 2.30. Before I—

**The Speaker:** You may proceed.

## LAYING OF A PAPER

### Advisory District Councils Bill, 2010

**The Premier, Hon. W. McKeewa Bush:** Madam Speaker, I want to lay on the Table of this honourable House a Bill for a Law to provide for the establishment of advisory district councils to operate as advisory bodies to the Elected Members of the Legislative Assembly; and for incidental and connected purposes.

I want to take the time to read the Memorandum of Objects and Reasons:

**“This Bill seeks to provide for the establishment of Advisory District Councils to operate as advisory bodies to the elected Members of the Legislative Assembly.**

**“The legislation is enacted pursuant to section 119 of the Constitution which provides - ‘119. Subject to this Constitution, a law enacted by the Legislature shall provide for the establishment, functions and jurisdiction of Councils for each electoral district to operate as advisory bodies to the elected members of the Legislative Assembly.’**

**“Clause 1 of the Bill provides the short title and commencement of the legislation.**

**“Clause 2 defines various expressions for the purposes of the legislation.**

**“Clause 3 and Schedules 1 and 2 name the various Councils that would be established to op-**

**erate as advisory bodies to the elected members of the Legislative Assembly and provide details as to how the Councils would function.**

**“The matters in respect of which the Councils would advise are finance, tourism development, immigration-related matters, district administration, works, gender affairs, education, training, employment, community affairs, housing, health, environment, youth, sports, culture and any other matters affecting the electoral districts.**

**“In Schedule 2, provision is made in respect of-**

**(a) the tenure of Council members (paragraph 1);**

**(b) conflict of interest (paragraph 2);**

**(c) Council meetings (paragraph 3);**

**(d) the provision of information to members (paragraph 4); and**

**(e) the regulation of Council business (paragraph 5).**

**“Clause 4 of the Bill deals with the composition of the Councils including a requirement that a member of a Council must be a person who lives in the relevant district and who is by reason of his special qualifications, training, experience or knowledge of the district, suitable for appointment to the respective Council.**

**“Clause 5 sets out the Councils’ functions and these are -**

**“(a) to advise on policies and develop programmes intended for the more effective discharge of the Member’s duties in relation to the district, after consultation with such persons or organisations, or both, as the Council considers appropriate;**

**“(b) to advise the Member on policies and programmes intended for the more effective discharge of the Member’s responsibilities; and**

**“(c) to establish, maintain and operate information systems and facilities, and to encourage and support the exchange of information of all kinds in respect of policies and programmes proposed by the Member.**

**“Clause 6 of the Bill makes provision for the funding of Councils, including the payment of allowances to Council members who are not public officers. Councils will not have power to charge to the general revenues of the Islands any of their expenditure.**

**“Clause 7 enables the amendment of the Schedules by Order of the Governor in Cabinet.**

**“Clause 8 enables the making of regulations.”**

Madam Speaker, I lay on the Table of this honourable House a Bill for a Law to provide for the establishment of advisory district councils to operate as advisory bodies to the Elected Members of the

Legislative Assembly; and for incidental and connected purposes.

Madam Speaker, I would hope that by the 6<sup>th</sup> of December this Bill will have had 21 days. I am not sure. But I would hope to take the Bill at that time.

**The Speaker:** The question is that Standing Order . . . sorry.

Which Standing Order did you move?

**The Premier, Hon. W. McKeever Bush:** On the adjournment.

**The Speaker:** Yes, but it is an adjournment motion.

The question is that the House do now be adjourned until 2.30 tomorrow afternoon.

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

**Ayes.**

**The Speaker:** Did I hear a No?

The Ayes have it.

**At 6.26 pm the House stood adjourned until Friday, 26 November 2010, at 2.30 pm.**

