

CAYMAN ISLANDS LEGISLATIVE ASSEMBLY

OFFICIAL HANSARD REPORT

Friday, 16 March 2018
Third Meeting of the 2017-2018 Session

Third Sitting

(Pages 1-46)

Hon W. McKeeva Bush, OBE, JP, MLA,
Speaker

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PRESENT WERE:

Hon W. McKeeva Bush, OBE, JP, MLA
Speaker of the Legislative Assembly

MINISTERS OF THE CABINET

Hon Alden McLaughlin, MBE, JP, MLA	*Premier*, Minister of Human Resources, Immigration and Community Affairs
Hon Moses I Kirkconnell, JP, MLA	*Deputy Premier*, Minister of District Administration, Tourism and Transport
Hon Dwayne S. Seymour, JP, MLA	Minister of Health, Environment, Culture and Housing,
Hon Roy M McTaggart, MLA	Minister of Finance and Economic Development
Mr Joseph X Hew, JP, MLA	Minister of Commerce, Planning and Infrastructure
Hon Tara A Rivers, JP, MLA	Minister of Financial Services and Home Affairs

EX OFFICIO MEMBERS OF THE CABINET

Hon Gloria McField-Nixon, JP	Acting Deputy Governor, Temporary ex officio Member responsible for the Portfolio of the Civil Service
Hon Samuel W Bulgin, QC, JP	Attorney General, ex officio Member responsible for Legal Affairs

ELECTED MEMBERS

GOVERNMENT BACKBENCHERS

Mr Bernie A Bush, MLA	Deputy Speaker, Elected Member for West Bay North
Capt. A Eugene Ebanks, JP, MLA	Elected Member for West Bay Central
Mr David C Wight, MLA	Elected Member for George Town West
Ms Barbara E Conolly, MLA	Elected Member for George Town South
Mr. Austin O Harris, Jr., MLA	Elected Member for Prospect

OPPOSITION MEMBERS

INDEPENDENT MEMBERS

Hon D Ezzard Miller, MLA	*Leader of the Opposition*, Elected Member for North Side
Mr Alva H Suckoo, Jr., MLA	*Deputy Leader of the Opposition*, Elected Member for Newlands
Mr Anthony S, Eden, OBE, MLA	Elected Member for Savannah
Mr V Arden McLean, JP, MLA	Elected Member for East End
Mr Christopher S Saunders, MLA	Elected Member for Bodden Town West
Mr Kenneth V. Bryan, MLA	Elected Member for George Town Central

ABSENT

Hon Juliana Y O'Connor-Connolly, JP, MLA	Minister of Education, Youth, Sports, Agriculture and Land

OFFICIAL HANSARD REPORT
THIRD MEETING OF THE 2017/18 SESSION
FRIDAY
16 MARCH 2018
11:21AM

Third Sitting

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

The Speaker: Good morning.

The Honourable Deputy Premier.

PRAYERS

Hon. Moses I. Kirkconnell, Deputy Premier - Minister of District Administration, Tourism and Transport: Let us pray.

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

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

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

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

Amen.

The Speaker: Please be seated.

Proceedings are resumed.

ADMINISTRATION OF OATHS OR AFFIRMATIONS

The Speaker: None.

READING BY THE HONOURABLE SPEAKER OF MESSAGES AND ANNOUNCEMENTS

The Speaker: None.

PRESENTATION OF PETITIONS

The Speaker: None.

PRESENTATION OF PAPERS AND OF REPORTS

ANNUAL REPORT FOR THE ENTIRE PUBLIC SECTOR FOR THE YEAR ENDING 30TH JUNE 2016

The Speaker: The Honourable Minister of Finance and Economic Development.

Hon. Roy M. McTaggart, Minister of Public Finance and Economic Development: Thank you, Mr. Speaker. Good morning to you, and good morning colleagues.

Mr. Speaker, on behalf of the Government, I beg to lay on the Table of this honourable House the Entire Public Sector's Annual Report for the Financial Year ended 30th June, 2016.

The Speaker: So ordered. Is the Member intending to speak thereto?

Hon. Roy M. McTaggart: Yes, Mr. Speaker, I would.

[Pause]

Hon. Roy M. McTaggart: Mr. Speaker, the Core Government and its SAGCs are referred to collectively as the Entire Public Sector or EPS; therefore, the Annual Report for the Entire Public Sector (EPS) I have just Tabled provides financial information with respect to Core Government itself, and financial information with respect to Statutory Authorities and Government Owned Companies (SGACs), for the Financial Year ending 30th June 2016.

Mr. Speaker, the Statement of Financial Position at the 30th June 2016, found on page 46 of the Report, shows that the EPS ended the Financial Year with $2.5 billion in total assets, $1.3 billion in total liabilities, and the remainder being $1.2 billion in net assets.

The Statement of Financial Performance for the year ended 30th June 2016, found on page 47 of the Report, shows that during the year, the EPS earned $944 million in operating revenues and incurred $797.1 million in operating and financing expenses. Other gains amounted to $1.6 million. The resulting overall operating surplus for the Entire Public Sector was $148.5 million for the year.

The Statement of Cash Flows found on page 48 of the Annual Report shows that the net cash inflows from operating activities totalled $233 million during the year; the net cash outflows used by investing and financing activities totalled $191.7 million and $35.9 million respectively. All these amounts net to an increase in cash balances during the year of $5.4 million and with a $226 million cash balance at the start of the year, the Entire Public Sector ended with an overall cash balance of $231.4 million at the 30th June 2016.

Mr. Speaker, the amount of $231 million represents cash balances of the Entire Public Sector at June 30th 2016; but specifically, only to those balances being held in current accounts, savings accounts, and the important distinction, fixed deposits— which have a maturity that does not exceed 90 days; however, the overall cash balances of the EPS far exceeded the $231.4 million when account is taken, of the significant fixed deposits which have maturities that exceed 90 days.

Within the statement of financial position, or what we know as the balance sheet, fixed deposits that have a maturity or term that exceeds 90 days are shown and classified as 'investments' and not as 'cash' and 'cash-equivalents'. Note 7, on page 77 of the Annual Report, indicates that investments consisting of fixed deposits that have a term maturity of greater than 90 days but less than 365 days totalled $326.7 million as at June 30th 2016. Hence, an overall total for the bank account balances of the EPS at 30th June 2016 would be $558.1 million made up of $231 million in cash and cash equivalents, and $326 million included in investments.

Mr. Speaker, the public debt of the EPS stood at $593.2 million at 30th June 2016. This is indicated in great detail in note 17, found on page 95 of the Annual Report; of this amount, the Core Government's debt amounted to $503.3 million at 30th June 2016.

Mr. Speaker, Government must arrange and order its financial affairs and position so that it satisfies the principles of responsible financial management set out in section 14 of the Public Management and Finance Law. The Framework for Fiscal Responsibility, popularly referred to as EFFR, gave the Government until the 30th of June 2016 to comply with the various ratios that constitute the principles.

Mr. Speaker, it was perhaps the singularly most important fiscal accomplishment of the previous government to have complied with the principles by the 30th June 2016, resulting in the subsequent position that the Islands' budgets no longer require prior approval of the United Kingdom Government before they are presented in our legislature.

At page 29 of the Annual Report, it is clearly indicated that the Government was in compliance with the principles. The requirement that an operating surplus should exist was abundantly satisfied by a Core Government operating surplus of $130.3 million. The need for there to be a positive net worth was adequately met by core government having a net worth of $1.2 billion at the 30th June 2016. The requirement that the debt service ratio should not exceed 10 per cent of core government revenue was also satisfied, since the debt servicing ratio was 9.4 per cent for the year and the need for government to have cash balances measured at their lowest level during the year that are able to meet at least 90 days of operating expenses was also satisfied since government had cash balances that covered 109 days of operating expenses exceeding the requirement by 19.1 days.

Another ratio that the government must satisfy is that its net debt should not exceed 80 per cent of its revenues. Government satisfied this ratio by the net debt position being 33.8 per cent of its revenue at the 30th June, 2016.

Mr. Speaker, let me now turn to the Auditor General's opinion on the consolidated financial statements, which start on page 41. On October 19th 2017, the Auditor General issued an adverse opinion on the EPS' financial statements for the year ended 30th June 2016. I wish to provide some details on most of the significant matters that led to an adverse opinion by the Auditor General. First was the exclusion of the Public Sector Pensions Board from the EPS consolidated financial statements. The 2015/2016 EPS excludes the Public Service Pension Board as the government is of the view that such substantial net assets are being held in trust for pensioners and public servants, and therefore ought not to be consolidated with the assets of the core government and SAGCs.

The Auditor General opines that the government has control over the Public Service Pension Board by virtue of its ability to appoint persons as directors of the Pensions Board. The Office further

states that since the EPS financial statements are prepared using IPSAS or International Public Sector Accounting Standards, there is a requirement under IPSAS 6, entitled "Consolidated and Separate Financial Statements", that any entity which the government can control, evidenced by the government's ability to appoint directors to the Pensions Board, ought to have its transactions and balances consolidated with those of core government and its SAGCs.

The Ministry of Finance disagrees with the viewpoint and has excluded the transactions and balances of the pension service from the EPS consolidated financial statements on the grounds previously alluded to; that such matters are being held in trust for the pensioners and public servants, and therefore ought not to be consolidated with the transactions and balances of the government, since these transactions and balances so excluded are very significant — underlying pension funds are in excess of $800 million.

This technical accounting disagreement is one of the most material reasons for the issuance of the adverse opinion by the Auditor General. The Ministry of Finance will continue to discuss and engage with the Audit Office with a view to removing this qualification point. As an example of government's attempts to move this qualification matter from financial years after the 30th June 2016, the Legislative Assembly (LA) passed an amendment to the Public Management and Finance Law in March 2017, providing that the statements of the Pensions Board are not to include the Financial Statements of the three public sector pension funds. The amendment was made so as to reduce the materiality of the disagreement point.

Secondly, Mr. Speaker, there is the understatement of retirement benefit liabilities. The Auditor General concluded that the consolidated liabilities of the government are understated. Government has not recognised, on the face of its primary financial statements, in this case the statement of financial position, the $1.4 billion of net liabilities arising from its post-retirement health care obligation. The obligation arises from the fact that government will pay for the health care cost of civil servants when they retire, provided they meet certain conditions. Obligations also arise due to government paying for health care costs of eligible dependents and of the retirees.

In common with many other advanced jurisdictions, the Government has provided details of its post-retirement health care expenses and liabilities in the notes to its financial statements, as opposed to recognition in the primary financial statements. This is done by note 16, which starts on page 91 in the Annual Report, thereby providing the readers of the financial statements with the adequate details of this important matter.

Third are the inaccuracies arising from opening balances and subsequent adjustments; as at the 19th October 2017, the date of the Auditor General's opinion, certain subsidiary audits were still in progress and not completed. Additionally, there were material adjustments arising from completed audits which were not known, and therefore not posted at the time the EPS consolidated financial statements were prepared and sent to the Audit Office for audit. The overall impact of incomplete audits of certain core government entities and certain SAGCs at the time of preparation of the EPS financial statements is to cause uncertainty as to the accuracy of amounts in the EPS, which, in turn, has led to this factor being another reason contributing to the Auditor General's opinion.

Mr. Speaker, much improvement continues to be made yearly with respect to timeliness and quality of financial statement preparation. The Government firmly believes, and is committed, that incomplete audits at the time of the EPS Financial Statements will not be a permanent or ongoing reason for audit opinion qualifications.

Next, Mr. Speaker, the Auditor General has stated that another reason contributing to the adverse opinion is the lack of a fully comprehensive valuation report to support the $128 million carrying value of the road network throughout the Islands in the financial statements. The Auditor General also makes the observation that significant parts of the road network have not been valued, and are therefore not reflected in the financial statements; therefore, the Government's assets are understated with respect to this matter. This is another area the Government endeavours to rectify in future financial years.

Mr. Speaker, the Auditor General found that the accounting policies used by SAGCs to measure land and business are inconsistent with the policies used by core government. IPSA 6 (which I referred to previously) — Consolidated and Separate Financial Statements require consistent accounting policies to be used within the consolidation; therefore, the consolidated figures for property, plant and equipment are materially misstated due to the absence of revalued carrying amounts for certain classes of property, plant and equipment owned by the SAGCs. Government's aim is to avoid this qualification factor for financial years after the 30th June, 2016.

Next, the Auditor General highlighted the incompleteness of revenues, receivables, and unearned revenue. Mr. Speaker, the Auditor General was unable to derive sufficient audit evidence itself, nor did it receive adequate representation from core government entities and SAGCs as to the completeness of public sector revenues given the significance of the amounts involved.

For example, the coercive revenues of the EPS for the year to June 30th, 2016 are reported at $673 million. The Auditor General's Office was unable to conclude on the completeness of coercive revenue, unearned revenue, trade, and other receivables at the 30th June, 2016. Understandably, Mr. Speaker, this presented another reason for the Auditor General to issue an adverse opinion. During the 2018 Financial

Year, the Ministry of Finance plans to seek external professional advice to address the important aspect of revenue completeness for the Public Sector.

Mr. Speaker, the adverse opinion on the 2015/2016 Entire Public Sector consolidated financial statements is the third audit opinion that has been issued on the EPS financial statements since the PMFL was introduced in 2004. Adverse opinions were also issued in 2013/2014 and 2014/2015's Entire Public Sector statements. Therefore, progress has been made, despite the existence of an adverse audit opinion for the 2015/2016 financial year, because for nine of the years during the period 2004 and 2005 to 2015/2016, an audit opinion could not be rendered by the Audit Office at all.

Mr. Speaker, Government continues to make significant progress in addressing the concerns reported by the Auditor General. It is envisaged that most of the remaining issues that have contributed to an adverse opinion on the 2015/2016 Entire Public Sector consolidated financial statements will be addressed by the financial year ending the 30th December 2019.

It is important to note that adverse opinions on public sector consolidated financial statements are not uncommon for many developed countries; however, the Government of the Cayman Islands is not content with the present audit opinion, and it is our goal to achieve, at a minimum, a qualified audit opinion on the Entire Public Sector consolidated financial statements with respect to the financial year ending 31st December, 2019. Such a qualified audit opinion on the EPS financial statements would put us at least on par with that achieved by the United Kingdom.

Mr. Speaker, clearly, we have much work to do. The EPS annual audit for the year ended 30th June 2016 is available on the Ministry of Finance and Economic Development's website, www.mof.gov.ky

Finally, Mr. Speaker, it is important to note that not only has the government given the fullest possible account of its financial stewardship, but it continues to increase the amount and quality of Public Sector financial information being provided to the public. As a further illustration of the enhancement of the provision of financial information, the Government amended the PMFL last year to require the provision of financial information on its activities and financial position on a quarterly basis. The very first Quarterly Report is due to be gazetted by mid-May 2018 with respect to the January to March quarter.

The 2015/2016 financial year marks the first time the requirement to produce annual reports inclusive of financial statements was enforced for each public sector entity. Additionally, for the 2016/2017 financial year, all government entities were required to submit their annual reports at the same time as their financial statements were sent to the Auditor General's Office.

This means that each of the fifteen Ministries, Portfolios and Offices that constitute the Core Government, and the twenty-six statutory authorities and government-owned companies will all provide the public with more and better-quality information related to their operations, activities and achievements to allow the public to have an enhanced understanding of the Public Sector.

Mr. Speaker, I commend the EPS report for the financial year ending 30th June, 2016 to honourable Members of the Legislative Assembly and the general public.

I thank you, Mr. Speaker.

PORTFOLIO OF THE CIVIL SERVICE ANNUAL REPORT 2015/2016

The Speaker: The Honourable Acting Deputy Governor.

Hon. Gloria Mcfield-Nixon, Acting Deputy Governor: Mr. Speaker, I beg to Table in the Legislative Assembly, the Annual Report of the Portfolio of the Civil Service for the year ended 30th June 2016.

The Speaker: So ordered. Is the Member intending to speak thereto?

Hon. Gloria Mcfield-Nixon, Acting Deputy Governor: Thank you, Mr. Speaker.

Mr. Speaker I rise to present the Annual Report of the Portfolio of the Civil Service for the year ended 30th June 2016. Section 44(5) of the Public Management and Finance Law requires that Ministries and Portfolios prepare their Annual Reports and Table them in the Legislative Assembly.

Mr. Speaker, the POCS prepared its Financial Statements for the year ended 30th June 2016 and submitted them to the Auditor General within the established deadline. The Auditor General issued an unqualified or "clean" opinion on the POCS Financial Statements for the period. An unqualified opinion means that the Financial Statements present fairly, in all material respects, the financial position of the POCS as at 30th June, 2016 and its financial performance and its cash flows for the year then ended in accordance with the international public sector accounting standards. I would like to take this time to thank the team across the Portfolio of the Civil Service, and in particular the Chief Financial Officer and her team, for their hard work in achieving this outcome yet again.

Mr. Speaker, I would also like to highlight some key financial information in respect to the Portfolio of the Civil Service for the period. Total operating revenue was $8.5 million; total operating expenses were $7.5 million with a net surplus of $1 million; total assets at $6 million and total liabilities at $4.1 million,

with a total net worth of $1.9 million and our cash and cash equivalents at the end of the period $4.1 million.

Mr. Speaker, I would also like to briefly highlight some of the key achievements of the Portfolio over the 2015/2016 Financial Year. The POCS successfully supported the approval of the following legislation:

- The Public Service Pensions (Amendment) Law, 2016 and Public Service Management (Amendment) Law, 2016 to facilitate increasing the retirement age within the Public Sector to age 65— this was achieved after significant consultation including face-to–face meetings with hundreds of our civil service managers, HR professionals, and employees;
- The Parliamentary Pensions (Amendment) Law, 2016;
- The Judges Emoluments and Allowances Amendment Law, 2016;
- The Anti-Corruption (Amendment) Law, 2016; and
- The Whistleblower Protection Law, 2015.

The POCS also supported a number of good governance initiatives that had significant implications for these Islands. The Conditional Release Law and Regulations came into effect in February 2016 as part of the government's crime reduction strategy to reduce reoffending. The Elections Committee completed the Report of the Boundaries Commission which was passed in the Legislative Assembly on 5th of October, 2015 which paved the way for the historical achievement in the Cayman Islands of contesting elections on the basis of Single-Member constituencies.

The POCS was also able to effect, on behalf of the Cabinet, improvements to Civil Servants' pay through the provision of pay awards to our staff including a cost of living adjustment or COLA of 4 per cent in July 2015, which reversed the 3.2 per cent pay cut originally adopted in 2010, and a one-off honorarium of 2.2 per cent in June 2016. We were also able to obtain funding to rectify pay stagnation commencing with payments to Police Officers and teachers in December 2015.

Mr. Speaker, we continue to take steps to improve the calibre of Civil Service Leadership and during the 2015/2016 year we were able to provide our staff with various leadership development opportunities including hosting the Cayman Islands Government's first Leadership summit for over one hundred leaders across the Civil Service.

Mr. Speaker, as I reflect on the Portfolio's achievements during the 2015/2016 Financial Year, I am grateful to all staff within the Portfolio of the Civil Service for their dedicated work, and to all Members of this Honourable House for their support. The team within POCS comprises dedicated and committed civil servants who continue to work every day to make the lives of those we serve better.

Thank you, Mr. Speaker.

REPORT OF THE OFFICE OF THE AUDITOR GENERAL ON THE REVIEW OF THE CAYMAN ISLANDS HEALTH SERVICES AUTHORITY FINANCIAL STATEMENTS 2015/2016

REPORT OF THE STANDING PUBLIC ACCOUNT COMMITTEE ON THE REPORT OF THE OFFICE OF THE AUDITOR GENERAL ON THE REVIEW OF THE CAYMAN ISLANDS HEALTH SERVICES AUTHORITY FINANCIAL STATEMENTS FOR 2015/2016.

The Speaker: The Elected Member for North Side, the Leader of the Opposition.

Hon. D. Ezzard Miller, Leader of the Opposition - Chairman of the Public Accounts Committee, Elected Member for North Side: Thank you, Mr. Speaker.

I beg to lay on the Table of this honourable House the Public Accounts Committee's Report on the Auditor General's Review of the Health Services Authority Financial Statements for 2015/2016.

The Speaker: So ordered. Is the Member intending to speak thereto?

Hon. D. Ezzard Miller, Leader of the Opposition: Briefly, Mr. Speaker — to read the recommendations section of the Report.

Mr. Speaker, the recommendations of the Public Accounts Committee: The PAC called the witness session to question the reasons for the Qualified Audit Opinion given on the 2015/2016 Financial Statements for the Cayman Islands Health Services Authority (HSA) and the HSA's response to those qualification points.

The Auditor General also provided the Committee with a report of those charged with governance on those matters arising from the audit of the Financial Statements for the year ending 30th June 2016. Under section 7(1) and 18 (3)(c) of the HSA Law, the Health Authority is required to maintain a cash reserve at a level of no less than estimated expenses for 90 days. The Office of the Auditor General roughly estimates that at 30th June, 2016 the Authority is over $21.5 million short in meeting these requirements.

The PAC remains concerned with the outlook for the financial position and future audit opinions for the HSA in spite of the employment of outside consultants to support them. The PAC was not impressed by the Board Chairman's continued assertions that the HSA would achieve unqualified audit opinions for the Financial Year 2018. The PAC strongly recommends that the Board of the HSA urgently address the staff-

ing issues unearthed during the hearings of the HSA Financial Statements.

The PAC is gravely concerned with the quality and accuracy of responses to questions by the Chief Officer Ms. Jennifer Ahearn; Chief Executive Officer Ms. Lizzette Yearwood; Chief Financial Officer Ms. Heather Boothe, and HR Director Ms. Brenda Riley.

In Ms. Ahearn's evidence to the PAC on Tuesday 10th October 2017, as recorded on page 13 of the verbatim minutes of that meeting, she misinformed the PAC:

*"**The Chairman:** So the Ministry is not concerned in that, in changing members of the licensing authority that they may be more lenient, particularly with the command of English, since there is no standard established and it is a very subjective thing?*
***Ms. Jennifer Ahearn, Chief Officer and Permanent Secretary, Ministry of Health, Environment, Culture and Housing:** Mr. Chair, the changes to the various councils are Cabinet decisions—*
***The Chairman:** That is the problem.*
***Ms. Jennifer Ahearn, Chief Officer and Permanent Secretary, Ministry of Health, Environment, Culture and Housing:** —Cabinet has made and they—*
***The Chairman:** The political appointments.*
***Ms. Jennifer Ahearn, Chief Officer and Permanent Secretary, Ministry of Health, Environment, Culture and Housing:** —I believe, and I don't have the list in front of me, but I believe that there has been continuity. I don't think that there has been a change that we've changed the board wholesale; but again I am speaking from memory and not from paper in front of me and I don't know for certain. Certainly a recommendation from the Ministry when appointments are being considered is to make sure that there is some continuity for that very reason, to ensure that there is some consistency from one to the next as those appointments are being made."*

These responses are contradicted by evidence obtained by the PAC, namely the Cayman Islands Gazette issue No. 20/2017 dated Monday 25th September 2017, page 1453 under the title Government appointments:

"Appointments to the Medical and Dental Council

In **accordance with Schedule 3 Constitution and General Proceedings, etc. of the Councils, of The Health Practice Law (2017 Revision) the following persons have been appointed to serve on the Medical and Dental Council effective immediately until the 1st September 2019:**

- **Dr. Louis Cona, Chair**
- **Dr. Krishna Mani, Deputy Chair**
- **Dr. Howard Ironstone, Member**
- **Dr. Darley Solomon, Member**
- **Ms. Judyann Frederick, Member – Registrar**

Dated the 12th September 2017
Signed by Kim Bullins Clerk of the Cabinet

The evidence obtained by the PAC, namely the Cayman Islands Gazette issue No. 62/2015 *[sic 65]* dated Friday 28th August, 2015, pages 26 and 27 under the title Government appointments.

Appointments to the Medical and Dental Council

In accordance with Schedule 3, Constitution and General Proceedings, etc. of the Councils, of The Health Practice Law (2013 Revision) the following persons have been appointed to serve on the Medical and Dental Council, effective 15th September 2015 until 1st September 2017:

- **Dr. Sidney Ebanks - Chairman**
- **Dr. Virginia Hobday – Deputy Chair**
- **Dr. Naude' Dreyer – Member**
- **Dr. Eugene Foley – Member**
- **Mr. Wayne Cowan – Member**
- **Ms. Lyria Joseph – Registrar/ Ex-Officio**

The PAC is of the view that this misinformation was knowingly done [as] the Gazette notice was only 15 days old at the time the evidence was given. The PAC is also aware that the Chief Officer would be involved in producing the paper to Cabinet to request approval for these Board appointments. The PAC asserts that changing all members of a Board qualifies as wholesale changes. The PAC also has evidence that these changes were made for specific purposes, some of which may not be in the best interest of healthcare of the Cayman Islands.

The PAC has not charged the Chief Officer with contempt of the Legislative Assembly but instead will refer the matter in writing to the Deputy Governor for him to take disciplinary action as he sees fit. The letter will refer to the relevant legislation that governs such behaviour; however, given Ms. Ahearn's history with the PAC, the PAC reserves the right to pursue the charge of contempt. The PAC is concerned with the practice of appointing persons who do not meet the advertised qualifications to positions with the HSA.

Mr. Speaker, those are the recommendations of the PAC as it relates to the Health Services Financial Statements 2015/2016.

Thank you.

REPORT OF THE OFFICE OF THE AUDITOR GENERAL ON THE SOCIAL ASSISTANCE PROGRAMMES FOLLOW UP ON PAST PAC RECOMMENDATIONS, JULY 2017

REPORT OF THE STANDING PUBLIC ACCOUNTS COMMITTEE ON THE REPORT OF THE OFFICE OF THE AUDITOR GENERAL ON THE SOCIAL ASSISTANCE PROGRAMS FOLLOW-UP ON PAST PAC RECOMMENDATIONS, JULY 2017

The Speaker: The Elected Member for North Side, the Leader of the Opposition.

Hon. D. Ezzard Miller, Leader of the Opposition: Thank you, Mr. Chairman.

Mr. Chairman, I beg to lay on the Table the Report of the Standing Public Accounts Committee on the Report of the Office of the Auditor General on the Social Assistance Programmes Follow up on past PAC recommendations, July 2017.

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

Hon. D. Ezzard Miller, Leader of the Opposition: Again, Mr. Speaker, with your permission, to briefly read the recommendations of the Report.

Mr. Speaker, the following are the recommendations of the Public Accounts Committee on the Auditor General's Report that has just been Tabled.

9.01 – The Audit and Report of the Auditor General was a follow-up carried out in the Cayman Islands. The objective of the Report was to assess the responses given in the Government Minute of October 2016 to determine whether in the Office of the Auditor General's view, past Auditor General's Report and PAC recommendations had been implemented.

9.02 – The Committee re-endorses the twelve recommendations previously made by the Auditor General and the additional two recommendations made by the PAC in 2015 as summarised in Appendix 2 of the Report. The Committee urges the Government to implement the recommendations as a matter of priority.

9.03 – The Committee was concerned that KPMG was commissioned to prepare an Outline Business Case (OBC) that only appears to consider two options for welfare payments to those in need:

1. Keeping the current system in place; or
2. Moving to an integrated operation where social service recipients can go to a one-stop shop for all public assistance programmes.

9.04 – The Auditor General was concerned about the terms of reference given to KPMG for the outline business case work, as it did not address prior audit recommendations. The Auditor General stated that when the Office of the Auditor General audited this area in 2014 and 2015, it recommended that the government create an overall strategy to determine what the policy objectives to be achieved by the social assistance programmes were. The Committee agreed with the Office of the Auditor General's concerns and doubted the terms of reference for the business case provided value for money.

9.05 – The Committee recommends that the Government consider the creation of a standard rate payment for welfare recipients, whether they are classed as indigent seamen, veterans, or those receiving temporary assistance.

9.06 – The Committee is concerned that the Government is integrating systems that are not currently working, and there does not seem to be a plan to correct the issues that are not working in those units before integration. We recommend that the systems not be integrated.

9.07 – The Committee is also concerned that the Chief Officer in the Ministry had redirected the Unit's budget for staff to recruit staff to deal with housing repairs, which exacerbated staff shortages. The Committee recommends that staff shortages be rectified as soon as possible. The Committee agrees that the Department of Children and Family Services and the Needs Assessment Unit, were failed at the Ministry level due to the lack of any strategic policy dealing with social welfare. The PAC recommends that the Needs Assessment Unit and the Department of Children and Family Services remain separate entities whose functions must be coordinated through policy from the Ministry, including the provision of adequate resources.

Mr. Speaker, those are the recommendations from the Public Accounts Committee on the Report.

Thank you, sir.

The Speaker: As we have passed the hour of 11:00 am, Honourable Premier, could you move the suspension, please, so that we can get into question time.

Suspension of Standing Order 23(7) and (8)

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

Mr. Speaker, I move the suspension of Standing Order 23(7) and (8) in order that questions may be taken after the hour of 11 o'clock.

The Speaker: The question is that Standing Orders be suspended in order for questions to be allowed after 11:00am. All in favour? Those against?

AYES.

The Speaker: The Ayes have it.
Agreed: Standing Order 23(7) and (8) suspended.

QUESTIONS TO HONOURABLE MINISTERS AND MEMBERS OF THE CABINET

The Speaker: The Elected Member for East End.

Mr. V. Arden McLean, Elected Member for East End: Question No. 15, standing in my name, is asked of the Minister responsible for National Security.

QUESTION NO. 15
WHEN WILL MONITORS FOR SECURITY CAMERAS IN THE EASTERN DISTRICTS BE INSTALLED AT EAST END AND NORTH SIDE POLICE STATIONS; AND WHEN WILL ADDITIONAL SECURITY CAMERAS BE INSTALLED IN THE EASTERN DISTRICTS

The Speaker: Honourable Minister.

Hon. Tara A. Rivers, Minister of Financial Services and Home Affairs: Thank you, Mr. Speaker.

Before I answer the question, I just want to edify a statement that was made. I am the Minister responsible for Home Affairs, which includes the Department of Public Safety Communications. To assume that includes all of National Security is a misnomer, and I am sure the Member for East End made the statement without that understanding. Just to ensure that the public knows: National Security falls squarely under the remit of the Governor, but we have already indicated what we would like to do as a Government. Nonetheless, Mr. Speaker, the answer:

The National CCTV system is currently primarily monitored at the Department of Public Safety Communications (DPSC) locations. The justification for an investment in additional equipment to create secondary monitoring locations in East End and North Side Police Stations would largely be dependent on the availability of RCIPS resources to observe the cameras at these locations on a 24/7 basis.

The DPSC Director recently discussed the opportunities for 24/7 CCTV monitoring at the East End and North Side Police Stations with the Deputy Commissioner of Police Kurt Walton, who indicated that the RCIPS intends to have an officer resident at the Eastern Districts' stations, but that the 24/7 manning of the station and by extension the cameras, will require additional consultation with and commitment from the Commissioner of Police. In the event that the Commissioner is minded to provide 24/7 monitoring at these stations, a business case could be made to install National CCTV monitoring hardware at these locations.

Mr. Speaker, forgive me. In the process of responding, I cannot remember whether the Member asked part 2 of the question yet. If he has not, I will reserve the response until he asks.

A Hon. Member: He did.

Hon. Tara A. Rivers: Oh, he did? Okay.

The Speaker: A and B are here.

[Inaudible Interjection]

Hon. Tara A. Rivers: Part B of the question concerns the installation of additional security cameras. The answer, Mr. Speaker:

With funding received in the 2018 budget for CCTV upgrades, the Director of DPSC has confirmed that it is feasible to install two camera pods in new locations, increasing the overall number of cameras in the Eastern districts by six, as there are three cameras on each pod. In order to identify the best locations for the six new cameras, the CCTV administrator will conduct physical and site assessments and consult with the RCIPS and other key stakeholders to gather all relevant public safety concerns.

The Speaker: Any supplementaries? Elected Member for East End?

SUPPLEMENTARY

Mr. V. Arden McLean: Mr. Speaker, I wonder if the Minister can tell us if there have been any requests from police officers in the Eastern Districts for monitors to be at those stations, not for 24 hours monitoring, but for the purposes of efficiently solving crimes — especially robberies.

The Speaker: Honourable Minister.

Hon. Tara A. Rivers: Thank you, Mr. Speaker, I will need a moment to confer with the DPSC Director to confirm whether any such requests have been made.

[Pause]

Hon. Tara A. Rivers: Thank you, Mr. Speaker. I have been reliably informed by the Director that he has not received any official requests from the RCIPS to install monitors at the East End or North Side Police Stations.

The Speaker: The Elected Member for East End.

Mr. V. Arden McLean: Mr. Speaker, I think you are well aware, sir, and all those of us who have been here for some time are aware that when these cameras were being installed we extensively discussed it concerning different phases. I think there were three phases which included some two or three hundred cameras. We are now going to six in the Eastern Districts. When will the full build-out of this security system be completed?

The Speaker: Honourable Minister?

Hon. Tara A. Rivers: Thank you, Mr. Speaker, I will need to confer with the Director again to get the information requested.

[Pause]

Hon. Tara A. Rivers: Thank you, Mr. Speaker.

Again, I have been reliably informed the phases the Member referred to were actually the two phases that were contemplated, namely, the rollout phase in Grand Cayman and the rollout phase in the Sister Islands. As it relates to Grand Cayman, I have been informed the original design has been completed; however, there have been additional locations identified and additional rollout at those locations.

We are certainly committed to continuing to work with the RCIPS to identify and continue to roll out additional locations as may be determined necessary to ensure that we continue to address the issues of crime and crime prevention.

The Speaker: The Member for East End.

Mr. V. Arden McLean: Mr. Speaker, I know my memory is not that bad. I specifically recall Mr. Bush coming here and answering questions about the entire programme. As far as I recall, there were additional cameras to be installed. I did not know this question was here because I have an email from him on my computer; I looked at it a few weeks ago.

Mr. Speaker, I need to ask the Minister: The cameras in East End, are they maintained on a regular basis?

The Speaker: The Honourable Minister.

Hon. Tara A. Rivers: Mr. Speaker, I crave your indulgence to find out the specifics on that.

[Pause]

Hon. Tara A. Rivers: Thank you, Mr. Speaker.

Again I have been reliably informed that there is a regular maintenance schedule and that maintenance takes place, but of course there may be issues identified during the interim of when that maintenance schedule occurs. If issues are identified at that time, they are dealt with.

The Speaker: The Member for East End.

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

Mr. Speaker, can the Minister tell us when issues are identified, what is the response time to repair cameras?

The Speaker: The Honourable Minister.

Hon. Tara A. Rivers: Mr. Speaker, I have been informed that once the issues have been identified, the response time is normally within 4 to 6 hours.

There was an incident in the Eastern Districts recently relating to a lightning strike that actually required several components to be addressed. I believe the response to address that has been longer; however, every day the DPSC receives notifications as it relates to the system in operation. That information is certainly passed on to the maintenance team to be addressed.

The Speaker: Last supplementary, Member for East End.

Mr. V. Arden McLean: Mr. Speaker, I witnessed the camera in East End off-the-pole for two months.

[Inaudible interjection]

Mr. V. Arden McLean: Can the Minister tell us whether or not it is time to change the equipment that was installed years ago, i.e. the cameras, and whether they are still considered fit for purpose at this stage?

The Speaker: The Honourable Minister.

Hon. Tara A. Rivers: Thank you, Mr. Speaker and I want to thank the Member for that question.

The budget to do the upgrades the Member has intimated has actually been approved by this Government and will be carried out in the coming budget term. An RFP is anticipated to be out for tender shortly to replace both the inside and outside equipment. I have been told the equipment is certainly over six years old, so the Government recognised and has budgeted for the appropriate upgrades to the system to be conducted shortly.

The Speaker: The Elected Member for North Side indicated that he wished to ask a question.

Leader of Opposition.

Hon. D. Ezzard Miller, Leader of the Opposition - Elected Member for North Side: Thank you, Mr. Speaker.

If I recall, there are thirteen cameras currently in North Side: three in Rum Point at the intersection, three by Chisolm's Store, three by the Oldman Bay junction, two at Frank Sound and two on the Queen's Highway. I wonder if the Member could say how many times in the last year have all thirteen cameras been out?

The Speaker: The Honourable Minister.

Hon. Tara A. Rivers: Mr. Speaker, given the specificity of the question, neither I nor the staff have the in-

formation to hand, but we would be happy to provide it in writing to the Member.

The Speaker: The Member for North Side.

Hon. D. Ezzard Miller, Leader of Opposition: Can the Minister say if 911 checks the performance of each of those thirteen cameras on a daily basis, and could we have a copy of the log?

The Speaker: The Honourable Minister.

Hon. Tara A. Rivers: Mr. Speaker, it has been confirmed to me that the cameras are checked daily and the Department can provide a spreadsheet of the fault reports.

The Speaker: Member for North Side.

Hon. D. Ezzard Miller, Leader of Opposition: Can the Minister confirm that based on that daily check, the response time to repair the cameras is 4-6 hours? The second question is [about] the monitor that was installed in the Bodden Town Police Station and the officers trained, according to information provided to us during Finance Committee. Is that monitor working, or do the police from the Eastern Districts have to come to George Town and apply through Gold Command to get access to the cameras for the Eastern Districts?

The Speaker: Honourable Minister.

Hon. Tara A. Rivers: Mr. Speaker, dealing with the question about access, I have been told that there certainly is no need to go to "gold command", which is George Town, in order to get access.

Since the inception of the national CCTV programme, DPSC has trained and issued user names and passwords to 145 police operators; as the operation is based on having that training, username and password capability, the DPSC works with RCIPS to provide the training as and when needed and requested.

I think the other question had to do with the Bodden Town Station. Again, given the specificity of the question and it not being directly related to the information or the questions we are prepared to answer today, it is probably something we would have to get in writing to the Member as well.

The Speaker: The Member for North Side.

Hon. D. Ezzard Miller, Leader of the Opposition: Given the revolving door of police officers including commanders in the Eastern Districts, can the Minister say how many of those 146 trained officers work in the Eastern Districts and how often training is done for officers in the Eastern Districts?

The Speaker: Honourable Minister.

Hon. Tara A. Rivers: Mr. Speaker, the total numbers of training indicate all officers who have either been recommended or requested this training; but again, I think given the level of specificity, a breakdown about who at those stations is currently trained would need to be provided in writing to the Member at this time.

The Speaker: The Member for Newlands.

Mr. Alva H. Suckoo, Deputy Leader of the Opposition, Elected Member for Newlands: Thank you, Mr. Speaker.

The Minister mentioned in her answer that there was going to be an expansion of coverage, I think, generally across the islands. Could she state how many cameras are currently located in the District of Bodden Town, giving general information on where and what the planned expansion is for Bodden Town?

The Speaker: Honourable Minister.

Hon. Tara A. Rivers: Thank you, Mr. Speaker.

I have been informed there are currently about fifty cameras in Bodden Town including the Prison site; and as I said before, the determination of the expansion would be in collaboration with RCIPS in the overall strategy to address crime.

The Speaker: Member for Newlands.

Mr. Alva H. Suckoo, Deputy Leader of the Opposition: Thank you Mr. Speaker. I would ask the Minister then if she could put some pressure on having coverage expanded in Bodden Town. I speak primarily for Newlands and, I believe, the Savannah area—

[Inaudible interjection]

Mr. Alva H. Suckoo, Deputy Leader of the Opposition: Well, I speak for Bodden Town West as well?

[Inaudible interjection]

Mr. Alva H. Suckoo, Deputy Leader of the Opposition: Because we have a situation now where citizens are contacting the MLAs for assistance. We have a serial prowler in the Savannah/Newlands area, who is routinely seen on the streets with a mask on and a machete in his hand. This person is becoming aggressive, going and knocking on people's doors with a machete in his hand, but the police cannot locate him because we do not have evidence to suggest where he is when he is reported in the streets. It is becoming urgent.

It is as drastic as that; I am not being dramatic. I just want to say it as it is — we need more coverage.

The Speaker: Honourable Minister.

Hon. Tara A. Rivers: Mr. Speaker, as it relates to "putting pressure on the expansion" as the Member says, the fact is that every single one of us in this Chamber is very concerned about crime; not just the District of Bodden Town but certainly the Districts of West Bay, George Town, North Side and East End, so I will continue to do what I can—

[Inaudible interjection]

Hon. Tara A. Rivers: And of course, the Sister Islands. Looking squarely in that direction.

[Laughter]

Hon. Tara A. Rivers: I will continue to do what needs to be done to ensure that there is that working relationship and collaboration between the Department of Public Safety and Communications and the RCIPS in determining where and how best to expand, and how quickly and efficiently we can do it.

The Speaker: Honourable Minister, to save time on supplementaries, you are saying that for all districts?

Hon. Tara A. Rivers: Absolutely all Districts, and I hope to have mentioned *[inaudible]*.

The Speaker: I hope Members will be satisfied and that not each Member for every district has to ask, but question time… Is there another supplementary? Member for Savannah.

Mr. Anthony S. Eden, Elected Member for Savannah: Thank you Mr. Speaker, through you to the Honourable Minister and I think it too, will address all of us representatives in this House:

Could consideration be given, in consultation with the Ministry of Education and the Police, to installing speed cameras by the schools — West Bay Primary, George Town Primary, Savannah, Clifton Hunter — especially those very close to the road such as Bodden Town, North Side and East End.

This problem is renowned, Mr. Speaker, and I keep complaining, begging, pleading, et cetera to the powers that be; but I do not know if it would be in her ambit to give it consideration.

The Speaker: Honourable Minister, I know that is outside of the area you are talking about; perhaps you can pass it on to your colleague.

Hon. Tara A. Rivers: I was going to suggest it, Mr. Speaker — thank you for helping me along. I would be happy to discuss the Member's concerns with my colleagues.

The Speaker: The Member for George Town Central.

Mr. Kenneth V. Bryan, Elected Member for George Town Central: Thank you, Mr. Speaker.

I rise to ask the Minister exactly how many cameras are operating in the George Town area and whether all of them are operational. She does not necessarily have to provide it now.

I take this moment to highlight the recent increase in crime in the Prospect area. I know it is a major concern, and I am certain the Members who have those concerns probably will not ask this question now because they are on the Government side, so for their best interest I have to say it… I am assuming she probably answered the question already, but there needs to be considered focus because unfortunately, there seems to be a crime element starting to grow and fester in the Prospect area. Hopefully, that area will be considered for expansion.

Also, information in respect to how many cameras in the George Town area are operational overall, and confirmation that they are all in good working order to be presented to me at any future moment would be fine.

Thank you.

The Speaker: Minister.

Hon. Tara A. Rivers: Mr. Speaker, I have been reliably informed that there would be anywhere between 90 and 100 cameras in the George Town area, again depending on where you consider the demarcation. As I indicated before, they all are monitored on a daily basis from the central DPSC, so they would be operational.

Certainly, as a Government we have been working very closely with the Member for Prospect to address the issues and concerns that have been raised.

[Inaudible Interjection]

Hon. Tara A. Rivers: They would be operational and subject to the same maintenance schedule that is in place for all cameras.

The Speaker: Next question please.

QUESTION NO. 16
LIST OF ALL NEW OR CHANGED RETAIL AND COMMERCIAL BANKING FEES AND PENALTIES INTRODUCED BY CLASS A AND B BANKING INSTITUTIONS IN THE CAYMAN ISLANDS SINCE THE 1ST JANUARY 2016

The Speaker: The Member for Newlands.

Mr. Alva H. Suckoo, Deputy Leader of the Opposition: Thank you, Mr. Speaker.

Mr. Speaker, I wish to ask The Honourable Minister for Financial Services and Home Affairs question No. 16: Can The Honourable Minister provide a list of all "new" or "changed" retail and commercial banking fees and penalties introduced by Class A and Class B banking institutions in the Cayman Islands since 1st January, 2016?

The Speaker: Honourable Minister.

Hon. Tara A. Rivers: Thank you, Mr. Speaker.

The answer: The Ministry of Financial Services and/or the Cayman Islands Monetary Authority have not historically maintained a list of commercial banking fees and penalties introduced by Class A and Class B banking institutions in the Cayman Islands.

As a matter of practice, each Class A retail banking institution has historically posted its fee schedules on their individual websites; however, Mr. Speaker, since becoming Minister of Financial Services in June 2017, the Cayman Islands Monetary Authority was asked to start collecting, collating, and publishing a comparative list of fees charged by the retail banks on the Authority's website, to enhance consumer awareness. This has been done since November 2017, and the list can be found under the quick-list tab on CIMA's homepage and is entitled "Banking Fees List".

Class B banking institutions conduct a vast majority of their activities with other CIMA licensees or companies operating outside the Cayman Islands; thus, the fees and penalties charged are, therefore, private transactions agreed between the Class B banking institution and its customer. Hence, the fees and penalties and the increases thereof charged by Class B banking institutions are not collected, collated and maintained by the Cayman Islands Monetary Authority or any other Government Agency or Department.

SUPPLEMENTARY

The Speaker: The Member for Newlands.

Mr. Alva H Suckoo, Deputy Leader of the Opposition: Thank you Mr. Speaker, just a quick follow-up.

Is there any plan in place to begin regulating these fees because it seems as of late, there have been many new fees introduced and, while they may be shown on the CIMA website, I do not think the average consumer is aware of it. We hear the Government talk about consumer protection. I think there needs to be a heightened level of regulation as far as introducing new fees is concerned.

The Speaker: Minister.

Hon. Tara A. Rivers: Thank you, Mr. Speaker.

I want to thank the Member for the question, and for pointing out the fact that opportunities like these actually help us to inform the public about new ability to be informed about, for example, the fees going forward; namely, the collection and collation of these lists which are updated as and when those fees are updated by the individual institution. I would certainly encourage the wider public to ensure that you log on to CIMA's website to get a copy of that list, so that you are able to better inform yourselves.

As to the issue of regulation, the Government, through myself as Minister in this area, has certainly taken a proactive approach via a meeting with all the Class A retail banks to discuss, specifically, the concerns related to fees. I indicated that we are concerned, as is everyone in this room, about the appearance of the heightened fees, and we needed to understand what was driving some of the decisions taken. The response, by and large across the board, has been that the increase in fees very much correlated with the increase in compliance and compliance-related activities that are now required as a result of the changing regulatory environment.

We will continue to actively monitor the situation; as I said, I started a programme of proactive engagement with the banking institutions to specifically address some of the concerns that have been expressed to me as Minister by our constituents. We will continue to see what we can do to ensure that there is rationale and reasonableness as it relates to these types of activities.

When you talk about regulation, we have to understand and appreciate that there are costs involved with providing the service of banking. Banking is not a public good, as some of us may think. In the end, it is offered by a private institution; therefore, there has to be the ability to recoup costs to some degree. However, again, it is making sure that we have rational decisions taken, and it is related to the requirements the institutions now need to be able to adhere to, from the regulatory perspective, to be able to operate in our jurisdiction so it is finding that balance and we are certainly already engaged in those discussions.

The Speaker: The Member for Bodden Town West.

Mr. Christopher S. Saunders, Elected Member for Bodden Town East: Thank you, Mr. Speaker.

This may be a bit unpolitical, but I would thank the Honourable Minister for at least going out and engaging the banks. I can tell from speaking to some of my former colleagues that they have been quite busy, as one mentioned the term "pressure" to me. I have to give credit where credit is due; I do not want to leave the impression that you are not trying to do anything.

My question to the Honourable Minister relates to the Government's buying power within the

market, especially where some of these fees are concerned. In particular, when I think about the many cheques for child maintenance that are written each week by the court's office, and the fact that many of these banks are charging $10 fees for government cheques that are $60/$70, which is quite expensive.

Has the Government or Cabinet considered using its buying power — pick up the phone and call the banks and say, *listen, where these cheques are concerned, especially the ones for children's maintenance, we are asking you not to charge any fees to cash those cheques?* I understand some people are actually going to local supermarkets to have the cheques cashed as opposed to going to the bank, so I am wondering whether that is something the Government would consider doing.

Thanks.

The Speaker: Honourable Minister.

Hon. Tara A. Rivers: Thank you Mr. Speaker, and I want to thank the Member for Bodden Town West for his acknowledgement, based on his own information and research, that we are certainly doing what we need to do to address these issues in a proactive manner, working with the institutions to ensure that they understand and appreciate the concerns that have been expressed.

Specifically to the question that the Member raised, I am happy to report that my colleague, the Minister of Finance, recently held meetings with the local retail banks in regard to the specific issue — the cashing of government cheques. I know there has been dialogue in that regard. I also echoed and reiterated those concerns when I met with them; so the Government is aware of those concerns, and has already taken proactive steps to try to address them as well.

The Speaker: One more supplementary from the Member for North Side.

Hon. D. Ezzard Miller, Leader of the Opposition, Elected Member: Thank you, Mr. Speaker; through you to the Minister.

I happened to be in a bank a couple of days ago and a tourist off the cruise ship walked up and stood in line for about half an hour and just happened to come to the teller next to me— I was in the senior citizen line because, you know, I am at that point now. He asked the bank to convert what looked like three $20 bills into C.I. The teller asked him if he had an account, and he said no, and the bank refused to convert the money.

I think with the emphasis that the Ministry of Tourism is placing on increasing cruise tourism… I mean if the man had a paper bag full of money I could see it, but I am fairly certain that it was not a hundred dollars that he had. I mean, the way they treated the man was so abrupt, right, that I interrupted his passage and suggested to him that he must not be too concerned because the rate was fixed and any store in town had to give him 80 cents for his dollar— and he appreciated it, because he did not understand the conversion rate.

I immediately reported to the same manager that I do not think there is any rule that says, for somebody trying to change money like that, they must have an account at these banks. That is certainly not Cayman Kind, Minister for Tourism, so maybe you can have a word with the authority supervising the banks to see if some leniency can be given.

Hon. Tara A. Rivers: Thank you, Mr. Speaker. I certainly will include the concern you have raised, that specific incident, in my continued discussions and deliberations with the financial institutions.

QUESTION NO. 17
WHAT PROGRESS HAS BEEN MADE WITH MAKING ARRANGEMENTS TO COMPLETE THE CHURCH OF GOD BUILDING IN BODDEN TOWN AS A HURRICANE SHELTER FOR THE DISTRICT

The Speaker: Honourable Member for Newlands.

Mr. Alva H Suckoo, Deputy Leader of the Opposition: Thank you, Mr. Speaker.

Mr. Speaker I said a little prayer before I got up to ask this question because this one has been around—

The Speaker: You did?

Mr. Alva H Suckoo, Deputy Leader of the Opposition: Yes, sir; since 2013 I have been praying about it.

[Inaudible interjection]

Mr. Alva H Suckoo, Deputy Leader of the Opposition: I would like to ask question No. 17 to the Honourable Minister of Commerce, Planning and Infrastructure.

Can the Honourable Minister state what progress have been made with making arrangements to complete the Church of God building in Bodden Town as a hurricane shelter for the District?

The Speaker: The Honourable Minister of Planning.

Hon. Joseph X. Hew, Minister of Commerce, Planning and Infrastructure, Elected Member for George Town North: Thank you, Mr. Chairman. Mr. Chairman through you, I would like to thank the Member for the question, though I am certainly not in the business of answering prayers.

[Laughter]

Hon. Joseph X. Hew: I did sleep at a Holiday Inn Express once, but…

[Laughter]

Hon. Joseph X. Hew: Mr. Speaker, the Ministry is in receipt of a valuation from DDL on the cost to complete the facility. Public Works previously completed a valuation in this regard as well; however, they are completing a cost comparison, if you will, between the two valuations to advise Government on the amount required to complete the facility as a hurricane shelter. I was just told the comparisons are being sent to the Ministry this morning, after which we can make a decision on how to fund the facility.

I want to reassure the Member that the Government is committed to finding a way to assist in completing the Hall so there is a hurricane shelter for the District of Bodden Town.

SUPPLEMENTARY

The Speaker: Member for Newlands.

Mr. Alva H Suckoo, Deputy Leader of the Opposition: Thank you, Mr. Speaker.

I first want to thank the Minister for that response. It is a partial answer to my prayer, but if he is in a position to give us a timeline? I know for the hurricane season this year is probably not realistic, but if he could give us some time frame on when the government expects we will have the building ready as a shelter— maybe not 100 per cent complete, but to serve as a shelter.

Thank you.

Hon. Joseph X. Hew: Thank you, Mr. Speaker.

Mr. Speaker we are pushing on this, as I can assure Members that the Bodden Town East Member continuously reminds us of it as well. I have not seen the scope of work, but I can tell you that it is in the $1.5 to $2 million range to complete it; this came from both the private sector and Public Works valuations. We will be doing a scrubbing of the estimates to make sure that everything relates to completing it as a hurricane shelter and not as a church or community hall.

Again, Mr. Speaker, once we have received the scope of work and the final cost, I will be taking it to my Government to try to find a way to fund it. I have instructed my staff to see whether it can be done in phases, and to what stages we can get it to as quickly as we can.

The Speaker: Honourable Minister, I can pray. I cannot speak, but if I could, I would ask you to consider my district too. The Member for West Bay—

Mr. Christopher S. Saunders: No, no, no, no.

The Speaker: Sorry, Bodden Town West.

Mr. Christopher S. Saunders: Mr. Speaker, you have me all over this honourable House.

Mr. Speaker, I ask the Honourable Minister to consider the Speaker's district.

Through you, Mr. Speaker to the Honourable Minister: Once you have scrubbed the cost, would it be possible to organise a meeting with the four Bodden Town representatives because it affects all of us. I think it is something we can definitely partner on even in terms of trying to raise money within the private sector to help offset the cost, because it is urgent for us also.

The Speaker: Honourable Minister.

Hon. Joseph X. Hew: Mr. Speaker thank you, and I would like to thank the Member for that suggestion.

I will certainly undertake to do just that. It was another question that I asked my team this morning— to find out whether or not the church itself had any further funding or, in lieu of funding, goods, services or whatever they may have had pledged to them so that we can have a comprehensive look at it, but I will certainly include the Members.

The Speaker: Honourable Member for George Town Central, the Premier has just stepped out a minute, could you just give him a second?

[Pause]

The Speaker: Honourable Member for George Town West—sorry, George Town Central.

Mr. Kenneth V. Bryan: Thank you, Mr. Speaker.

I ask you to be very careful. David— sorry, I apologise. The honourable Member for George Town West is already a bit upset with me since yesterday, so I do not want to take his position. That being said, Mr. Speaker, I rise to ask question No. 18 on the Order Paper.

QUESTION NO. 18
WHAT IS THE GOVERNMENT'S PLANNED POSITION AND CONCERNS ON BEHALF OF THE CITIZENS OF THE CAYMAN ISLANDS THAT WILL BE EXPRESSED AT THE COMMONWEALTH HEADS OF GOVERNMENT MEETING (CHOGM) THAT WILL TAKE PLACE IN LONDON ON APRIL THE 16TH OF 2018?

The Speaker: The Honourable Premier.

The Premier, Hon. Alden McLaughlin - Minister of Human Resources, Immigration and Community Affairs: Thank you Mr. Speaker.

Mr. Speaker, before I respond substantively, I believe it is important to provide the historical context of the relationship between the Commonwealth and the Cayman Islands and indeed, other British Overseas Territories.

Commonwealth membership is confined to sovereign countries that are at one point in history, part of the United Kingdom; however, self-governing states and overseas territories linked to member countries are eligible to take part in many activities and may receive technical assistance from the Central Commonwealth Organisation, namely, the Commonwealth Secretariat. By way of a brief example, for many years the Cayman Islands has participated in the Commonwealth Games; Commonwealth Parliamentary Association; projects and programmes put on by the Commonwealth Secretariat; and in 1999, hosted the Commonwealth Finance Ministers Meeting in Grand Cayman.

It should be noted that within the Commonwealth, Australia, New Zealand, and the UK all have associated States and overseas territories. From time to time, representatives from these associated States and overseas territories may be invited to attend commonwealth ministerial meetings and events, usually as part of the delegation of the Member State to which they are linked. Thus, Mr. Speaker, unlike in CARICOM, where the UK overseas territories enjoy associate member status and can fully participate in the Heads of Government Conference, which is something you, yourself, did during your tenure as Premier and I have done in my tenure. Let it be clear that there is no associate membership of the Commonwealth available to the UK Overseas Territories; neither is there a standing invitation to Heads of Government of UK Overseas Territories to participate in, or even attend, the Commonwealth Heads of Government Meeting as observers.

Mr. Speaker, over the past several months the UK Overseas Territories Association (UKOTA) has been advocating for the UK Government to include a representative or representatives from UKOTA as part of the UK's delegation to the Commonwealth Heads of Government Meeting. I recall the matter was raised during discussion at the most recent Joint Ministerial Council Meeting last November and I am happy to confirm that the United Kingdom has responded positively to this request.

Therefore, in my capacity as the recently appointed President of UKOTA's Political Council, I have been invited to attend three specific events at the Commonwealth Heads of Government Meeting which is planned for April of this year. These events are:

- The welcome reception;
- The Lord Mayor's Banquet; and
- The formal opening at Buckingham Palace, at which our Majesty the Queen is expected to be present.

In addition to attending the events to which I am invited on behalf of UKOTA, I will also attend the Commonwealth Business Forum. The Commonwealth Business Forum is a unique platform for dialogue, bringing together business and government leaders from across the Commonwealth. The Commonwealth Business Forum is an integral part of the Commonwealth Heads of Government Meeting (CHOGM) and brings together government leaders and the businesses critical to Trade and Investment Leadership to debate issues facing their countries in 2018 and beyond. The key themes of the Commonwealth Business Forum are:

1. Accessing modern financial services;
2. Easing the pathway for business and growth;
3. Harnessing commonwealth technology and innovation;
4. Creating a new attitude to sustainable business;
5. Mobilising an export economy, and;
6. Attracting inward investment.

Finally, Mr. Speaker, the Commonwealth Heads of Government Meeting, along with the Commonwealth Business Forum, will not only provide a truly global platform to bring greater awareness to the unique challenges facing many overseas territories such as hurricane recovery and reconstruction and resilience but will also raise awareness of the Cayman Islands as a Global Financial Centre and a business-friendly environment.

It should also be noted that with the United Kingdom exiting Europe, many of the overseas territories serve as key gateways to trade with global Britain, and so the UK's relationship with the Commonwealth will likely be even more important; therefore, the invitations I received to this year's Commonwealth Heads of Government Meeting are indeed a very positive overture.

SUPPLEMENTARY

The Speaker: The Member for George Town Central.

Mr. Kenneth V. Bryan: Thank you, Mr. Speaker.

Can the Minister say if he intends to communicate and articulate any concerns to those who will be speaking on behalf of the Overseas Territories at the Commonwealth Heads of Government Meeting because that is the initial question: Are we expressing any concerns by way of our connectivity to the Commonwealth?

The Speaker: The Honourable Premier?

The Premier, Hon. Alden McLaughlin: Mr. Speaker, as I tried to explain, I am not attending on behalf of

the Cayman Islands. I have only been invited to attend as President of UKOTA; we are not part of the plenary, nor do we have the right of audience at the Commonwealth Heads of Government Plenary Meeting.

Our focus is and will be, Mr. Speaker, the diplomatic work we will engage in at the reception, the banquet, and the formal opening. The networking and, particularly, our involvement in the Commonwealth Business Forum, which is a great opportunity to continue to promote Cayman — the range of financial services and products we have; the wonderful business environment that is part of who we are, and the Cayman Islands as a tourism destination.

The Speaker: The Member for George Town Central.

Mr. Kenneth V. Bryan: Thank you, Mr. Speaker.

Mr. Speaker, in no way am I trying to create any difficulty for the Minister, but I am certain there are lines of communication whether directly or indirectly at these events, or by way of email, or phone calls, or whatever line of communication to communicate our concerns to the UK, as an Overseas Territory, in regard to the topics that will be discussed.

Now, Mr. Speaker I understand the Minister's limitations. He has no voting rights; he does not really have any place in the discussion — and I respect that, but I know there are lines of communication in respect to the concerns. There have to be lines of communicating those concerns, in one way, shape or form, so the question is how are you communicating them whether on this trip, or by way of email from the position of Leader of this country. You have to see the opportunity being presented for our voice to be heard saying, *these are the concerns for an overseas territory; if you could take them into consideration in some way, shape or form* when the topic is at hand at the CHOGM meeting.

To formulate the question: is the Premier saying there is no line of communication to raise any Cayman Islands' concerns to be considered in any way, shape, or form at the CHOGM meeting.

The Speaker: Honourable Premier.

The Premier, Hon. Alden McLaughlin: Mr. Speaker, I have given a comprehensive response. The purpose of this trip, and the reason we are expending the money to do so, is that we see it as an opportunity to continue to promote Cayman and raise Cayman's profile and importance within the broader Commonwealth.

I am attending as the President of the UK's Overseas Territories Association. I shall attempt to be, as I have done over these past many years, the best diplomat and Ambassador for these Islands that I possibly can to promote who we are; what we are; and encourage more business and respect for these Islands.

In the context of all that, whatever issues we, as a Government, believe there is some benefit in putting forward to a particular individual, or Minister, or Head of Government, I shall do so in my usual way, but I am not going there with a long list of complaints or petitions on behalf of the Cayman Islands. This is a diplomatic and promotional opportunity, similar in many respects to the trip we are about to take to Hong Kong. That is how I am viewing this, Mr. Speaker.

The Speaker: We will suspend proceedings until 2:30 pm.

Proceedings suspended at 1:07pm

Proceedings resumed at 3:01pm

The Speaker: Proceedings are resumed, please be seated. Continuing with questions.

QUESTION NO. 19
WHAT HAS BEEN DONE BY THE GOVERNMENT TO ENSURE THAT CABLE TV OPERATORS ARE MEETING THEIR PUBLIC BROADCAST LICENCE REQUIREMENT OF PROVIDING LOCAL CONTENT FREE TO AIR?

The Speaker: The Member for Bodden Town West.

Mr. Christopher S. Saunders: Thank you, Mr. Speaker.

I rise to ask question No. 19 standing in my name: Can the Honourable Minister say what has been done by the Government to ensure that cable TV operators are meeting their public broadcast licence requirement of providing local content Free to Air (FTA)?

The Speaker: The Honourable Premier.

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

The answer: According to information provided by the Utility Regulation and Competition Office (OfReg), there are currently four type-seven subscription television broadcasting licensees. These include:

- Digicel;
- Infinity Broadcasting (operating as C3);
- Cable and Wireless (operating as Flow); and
- WestTel (operating as Logic).

Such a service is where the licensee provides a package of television channels to a customer who typically has to pay the licensee a monthly subscription. As the Member's question infers, at the time those aforementioned licences were issued, as a condition for obtaining a Subscription TV License, all li-

censees had to also apply for and operate a type 6 public service television broadcasting licence — in other words, it was a requirement to have a broadcast free-to-air TV channel in order to obtain a cable TV license.

Each named licensee was licensed to provide each of those services at different times:

- C3 in December, 2004;
- Digicel in April, 2012;
- Flow in November, 2012; and
- WestTel in February, 2012.

In addition to providing the local television service, all those named licensees have an obligation in Annex 1 of their respective licenses which sets out how the local television part of the service is defined namely, that any customer wishing to receive the public television service shall be provided such a service either via cable or broadcast over the air within a reasonable timeframe and at no cost to the customer.

Programme content shall, at a minimum, be 20 per cent local content, which shall include local talk shows, educational, cultural and religious programming, live sporting events, government information services and live coverage of the proceedings of the Legislature. Public television service shall involve programming offered 24 hours a day, 7 days a week, 365 days a year.

Mr. Speaker, the above definition is broad and was first drafted nearly 14 years ago, in late 2004, for insertion into C3's license; that obligation was then reflected in the other licences issued in 2012. OfReg has identified three particular issues of concern.

The first issue is the size of the free-to-air market. OfReg currently relies on consumer feedback by way of complaints as well as random scanning of free-to-air channels to confirm whether licensees are meeting their obligations. Feedback from consumer complaints, or more precisely the lack thereof, seems to suggest the local content expectation via free-to-air TV broadcasting is currently being met, but this lack of complaints is potentially misleading. At the moment, while OfReg does not receive many complaints about this issue— perhaps one over the past year— it is believed this due in part to most consumers using other technologies to watch TV, such as internet streaming, cable TV and other methods. OfReg believes, therefore, that the number of consumers who have no other means at their disposal other than a free-to-air TV is quite small.

The second issue is the spirit versus the letter of the licence obligation. Notwithstanding the above, OfReg is aware of various technical and commercial issues that have resulted in some delays in providing free-to-air content. Basically, it is very complex and expensive to set up and operate a traditional TV station, especially in such a small market; however, with modern technology, it is possible to create local content without the overheads associated with the traditional TV station. Indeed, there are currently several sources of local video content which Cable TV licensees carry on various channels thereby, arguably, meeting the spirit of the licence obligation.

Mr. Speaker, the third issue is obsolete technology. Although local TV broadcasting began in the early 1990s, it was not until the early 2000s, when the Information & Communications Technology Authority (ICTA) was formed, that the current licencing framework came into being. The first TV station licence was granted under this licencing framework licence 15 years ago; since then the world of TV broadcasting has changed dramatically.

Across the world, countries are moving away from old analogue UHF TV broadcasting techniques and towards new digital TV or DTV standards. Most industrialised nations have already migrated their TV stations to the new DTV format. In fact, in the not too distant future, consumers will have difficulty finding a TV manufacturer who still makes a TV capable of receiving UHF channels. The reasons for this global shift from analogue to digital technology are many, including:

- Reducing radio interference;
- More efficient use of the radio spectrum;
- More features and capabilities under the DTV standards; and perhaps most importantly,
- The move allows the old UHF radio spectrum to be used for other purposes such as wireless mobile networks.

Mr. Speaker, given the facts associated with the three issues set out above, OfReg has taken the position that it is unwise, if not futile, to pursue a course of enforcement on this issue. Instead, the country could be better served by embracing newer technologies and leveraging the benefits of lower costs, more robust, and capable broadcasting standards, such as DTV. Furthermore, greater effort should be made to encourage the increased production of local content; therefore, OfReg is currently examining these licence obligations with a view to modernising and streamlining them. This is part of a larger effort to redesign the licencing and regulatory frameworks which are now over a decade old, with the view of moving away from a micro-management approach to licencing and towards a principle-based, outcomes-oriented regulatory framework.

In 2014, the then ICTA conducted a consultation on the future of local TV. Generally, the responses were in support of a local content obligation; however, there was no clear position or appreciation of the difference between obligations to provide local TV service via free-to-air, versus obligations to provide local content. That said, the general consensus seemed to be that if at the very least access to current

free-to-air local content remained, the community would be well served.

In considering the consultation responses and the current industry trends, OfReg has sought to modernise the licencing regime and as such, OfReg is embarking on a comprehensive review of the telecommunications market which is underway at the moment.

The Speaker: The Member for Bodden Town West.

SUPPLEMENTARY

Mr. Christopher S. Saunders: Thank you, Mr. Speaker and I want to thank the Honourable Premier for his response.

Mr. Speaker, going by the spirit of what the regulations were, meant that locals would get at least something free; and if we were promised something free— whether it comes over the air or via internet, et cetera— the bottom line is these providers owe us something local and free.

Mr. Speaker, the genesis of this question is that World Cup Football is coming up—

[Laughter]

Mr. Christopher S. Saunders: World Cup football is coming up and right now, from what I understand, the company that has the rights to World Cup Football, which in many countries airs for free, basically has no free content to provide and I understand the other local providers cannot offer the service because of different commercial rights; therefore, for many people, something that was supposed to be free will not be free.

The question then, through you, Mr. Speaker, is what does OfReg intend to do to ensure that our people get free local content and World Cup football. The bottom line is it is coming up this summer, and we need it.

Thanks, Mr. Speaker.

The Speaker: Honourable Premier.

[Extended pause]

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

Mr. Speaker, I am grateful and I think it should not be lost on other Members of this Honourable House that honesty is the best policy. The Member for Bodden Town West willingly confessed the true motivation for the question, which is the imperative of being able to watch the World Cup starting in June. That notwithstanding — and it is imperative, I agree with him — it is not local content; for as much as we would like the Cayman Islands National Football team did not make it to the World Cup this time.

Mr. Speaker, the OfReg is currently reviewing the licence of one of the entities, namely FLOW, and the objective is to move everybody's obligations to the DTV standard, which will make it much easier to provide local content and free something. I am not sure what it will be because one of the great challenges, and why they have not complied for all these years, is the cost of providing the local content is just astronomical in the grand scheme of things.

It is still very much in the early stages, but what OfReg is working on is moving everybody to the modern DTV platform and from there it should be much easier to provide both local content and free broadcasting as was envisaged some fourteen years ago. I do not know that it means we are going to get World Cup football free-to-air, but we will do the best we can.

The Speaker: Member for Bodden Town West.

Mr. Christopher S. Saunders: Thank you Mr. Speaker and through you, sir, again, I thank the Premier for the response, and I guess the indirect support.

By virtue of the way the International Federation of Association Football (FIFA's) World Cup is licenced, there are still a number of games which are supposed to be free for each country that carries it, so my question is: Will OfReg insist that whoever has the commercial rights to carry the FIFA World Cup locally airs the games that are supposed to be free, or finds a way to air them free to the public. It could be via the internet whereby people can watch them on their phones, but it comes with a certain number of games that should be free.

[Pause]

The Speaker: The Honourable Premier.

The Premier, Hon. Alden McLaughlin: Mr. Speaker, thank you and the House for the indulgence. This is a bit outside of my usual area of expertise, so I need more briefing than usual.

[Laughter]

The Premier, Hon. Alden McLaughlin: Mr. Speaker, the answer is that, technically, OfReg could insist that whoever has the contract does it as part of their obligation to provide a certain amount of free to air content, which has not been met otherwise.

The problem is that it would be nigh impossible for the provider to do so because none of these entities have the mechanisms in place— in other words, a free to air channel— to be able to do so, because all of their programming is broadcast by virtue of cable so, unless you were to insist, perhaps somewhat unreasonably given that you are only dealing with one as opposed to all of them, that they now go

through the expense and trouble of putting in place a free to air channel specifically for the World Cup. It is not possible otherwise.

The Speaker: The Member for Bodden Town West.

Mr. Christopher S. Saunders: Mr. Speaker thank you, and again I thank the Premier.

May I make a suggestion then: Since other residents already have local TV providers, whoever has the rights, [could] free up some of those rights to the other carriers so at least they can provide it free of cost, because it already would have been included in whatever subscription someone is already paying; I think that is one way.

Trying to hold on to something that everyone else around the world is getting for free, and we have to pay for it because the rules have not been enforced... Give the other providers permission to air some of the games then, and whoever their customers are, they can watch some of the games. I think that is a fair-enough compromise. Considering they got away with it in the last how many years, I think asking for this once every four years would not be too much to ask.

Thank you, Mr. Speaker.

[Crosstalk]

The Premier, Hon. Alden McLaughlin: Mr. Speaker, I think the best and wisest thing I can do at this stage is to say that OfReg is now aware of this particular concern. They are very sensitive to the Member for Bodden Town West's need to have access to all the World Cup games and—

[Laughter]

The Premier, Hon. Alden McLaughlin: They are going to look at the situation and see if there is a viable means of achieving what the Member is seeking.

The Speaker: The Leader of the Opposition.

Hon. D. Ezzard Miller, Leader of the Opposition: Thank you, Mr. Speaker.

Mr. Speaker, I wonder if the Minister could comment on at what point in time will the constituents of North Side be able to get some kind of reasonable TV? It is disturbing when you are watching cricket and fifteen wickets fall for the day, and you did not manage to see any of them fall because the TV was jumping all over the place and we are paying a hundred-odd dollars a month for the service.

The quality is unbelievably terrible, and nobody seems to be able to enforce anything on these people to produce the quality that we are paying for. I had FLOW and made the mistake of going back to WestStar, which is worse.

[Inaudible interjection]

The Speaker: Honourable Premier.

The Premier, Hon. Alden McLaughlin: Thank you Mr. Speaker. Again, this is technical stuff with which I am not entirely comfortable, so I shall read.

Although all the competitive telecom providers agreed to licence conditions which committed them to deploy fibre across the Island, *all* have since failed to meet this obligation. OfReg has pointed this out to each and every licensee and has announced it publicly in a public consultation document on broadband which was published just last week.

The objective of this consultation is to properly define the term "broadband", as has been done in other advanced countries, and then to set a new target for all licensees to make broadband available to all citizens by a certain date. OfReg will then employ a universal service fund to construct the separate, fibre optic network serving the Eastern Districts and make the telecoms pay for it, Mr. Speaker. Licensees will then have no excuse to meet the new broadband delivery target.

In other words, all these years we keep struggling unsuccessfully to get them to deploy the fibre they have agreed to, so we are going to abandon that approach. We are going to build the fibre network and charge the licensees for it.

Hon. D. Ezzard Miller, Leader of the Opposition: Through you, Mr. Speaker.

Can the Minister say who is going to pay for this new fibre band network? Hopefully not the constituents of the Eastern Districts, because we are paying more now and not getting anything. We have a regulatory authority. Somebody signed a licence knowing what the requirements of that licence were, yet they have not complied with the licence.

The question is: Why are they being allowed to operate?

The Speaker: Honourable Premier.

The Premier, Hon. Alden McLaughlin: Mr. Speaker, because some TV is better than no TV. I do not think the Leader of Opposition's constituents would be any happier than mine if the approach taken resulted in them having no TV at all; hence the approach that we are talking about.

[Inaudible Interjection]

The Speaker: The Leader of the Opposition.

Hon. D. Ezzard Miller: Can the Minister confirm that at least one of these operators has conveniently seen fit to install fibre from Frank Sound to Health City, and

why are my constituents not getting the same enforcement benefit?

[Inaudible Interjection]

The Premier, Hon. Alden McLaughlin: Mr. Speaker, I think the Leader of the Opposition just gave another example of why it is necessary to adopt the approach I just outlined, whereby the OfReg will build the fibre network because the market has failed and short of really radical steps which could result in no TV at all if we shut down the operators, we have to find another mechanism so OfReg's response is to build out the fibre network and make the licensees pay for it— then there will be no excuse as to why they have not put in the fibre.

[Inaudible Interjection]

Hon. D. Ezzard Miller: I want to know what the time frame is.

The Speaker: Leader of the Opposition.

The Premier, Hon. Alden McLaughlin: Eighteen months is the current —

[Inaudible Interjection]

The Premier, Hon. Alden McLaughlin: From now.

The Speaker: The Member for Bodden Town West.

Mr. Christopher S. Saunders: Thanks, Mr. Speaker.

The Speaker: Last supplementary.

Mr. Christopher S. Saunders: For me, right?

The Speaker: From you.

Mr. Christopher S. Saunders: Okay, I just wanted to make sure.

Just for clarity, Mr. Speaker, I know OfReg insisted on co-location, even when the different mobile telephone companies started. The reality of it is that we have fibre around the island; it is just a matter of putting pressure on some of the companies that have dark fibre (basically excess-fibre) as opposed to building a new one because, Mr. Speaker, I do not think anyone believes that the providers are going to pay for it and not pass the cost on to the consumer, so we may run the risk of paying twice.

The question, Mr. Speaker, is what pressure can OfReg bear on the two existing companies that already have fibre around the island for agreeing to bandwidth, or giving what needs to be given, because we have selfish players in the market. We force some companies to co-locate on the cell-sites; I think we should do the same where fibre is concerned.

Thanks.

[Pause]

The Speaker: Honourable Premier.

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

The current arrangements, which attempt to force the licensees to build their own fibre network, are very expensive. I am advised that doing it the way it is being proposed would be a fraction of that cost, so if we had continued down the road with the present contractual arrangement, the cost of TV would be expected to increase significantly. If OfReg does it, and makes arrangements with the licensees to pay it back over time, it is expected that it will result in a lower cost than if the present arrangement had actually been followed through by the licensees, i.e. they had built the fibre network.

The Speaker: I will allow two more supplementaries: George Town Central and Newlands.

Mr. Kenneth V. Bryan: Thank you Mr. Speaker.

My question relates to mobile devices and accessibility to what would be considered explicit or rated-R or not safe for children under the age of 18 and the accessibility to it. The question is, can the Minister say if there are any indications of putting the necessary protections that children, who we know have a device in their hand every day, have access to information, videos, et cetera, which are not safe for our children. Are we putting in any protections that they do not have access to that kind of material?

Just to add to the discussion, I would say that the UK has such a principle whereby you cannot access certain types of information, videos, or data without proving that you are aged 18. I think it is something that we should pay much attention to, and I hope that OfReg can say it is on their agenda.

The Speaker: Honourable Premier.

The Premier, Hon. Alden McLaughlin: Mr. Speaker, my advice is that there is no country in the western world that is not struggling with this issue of balancing people's right to access content with the obvious inherent challenges and risks.

There are places like China, Saudi Arabia and others that put in these firewalls and you just cannot get access to the information, but probably the most effective censorship programme there is, is called parenting. We do not know how else you can keep a child who has access to a smartphone from having access to this information. That is not me saying so, it is the experts saying it.

Mr. Kenneth V. Bryan: Mr. Speaker I beg your indulgence to allow one—

The Speaker: I said the last one, so make this the last one, Member.

Mr. Kenneth V. Bryan: Thank you so much, Mr. Speaker.

Based on the information and research I have collected, Mr. Speaker, I dare say it is incorrect based on the experts. I just got back from the UK and I did the test myself. Today you can take a mobile phone; use data; go to any explicit pornographic website — and I did not want to bring this up, but unfortunately I have to, to ensure the clarity of what I have to say— and you can get to any website without any proof of your age. You go to the UK, you use the same mobile network, you put in an explicit website, and you have to prove that you are aged eighteen with identification, so if the UK can do it, the Cayman Islands can do it unless the experts are saying it cannot be done in the Cayman Islands.

The Speaker: Turn it into a question, please.

Mr. Kenneth V. Bryan: I do not even know how to, when they say they cannot do it and it can be done. Are they saying there is no ultimate way it can be done in the Cayman Islands while other countries are doing it?

The Premier, Hon. Alden McLaughlin: Mr. Speaker I cannot add to that; I am no expert at this. Since the Member for George Town Central seems to be, I suggest he connect with the OfReg Director who is right here. Perhaps he can provide them with the expertise so they can get it done.

The Speaker: The Member for Newlands.

Mr. Alva H. Suckoo: Thank you, Mr. Speaker. With your indulgence, sir, I will chime in quickly on this last topic. It will be very brief.

The Premier, Hon. Alden McLaughlin: I will give you the same advice.

Mr. Alva H. Suckoo: No, no, no, I think you may like what I have to say.

I respectfully would not support what the Member for Central suggests because it would require Deep Packet Inspection (DPI), which means the regulatory body is going to be watching everything you do and I do not subscribe to that. I would prefer to go the route of parental control, as the Premier suggested, and install an app on your child's phone whereby they cannot do it.

[Inaudible interjection and laughter]

Mr. Alva H. Suckoo: I do have a question but I agree; let us not go down that road because I do not want anyone spying on my phone transmissions. My question is…

[Inaudible interjection and laughter]

Mr. Alva H. Suckoo: I do not think any of us would want anyone prying into our private communications.

[Crosstalk]

Mr. Alva H. Suckoo: My question is…

I am trying to remember the question now because I am getting distracted. Has OfReg received any complaints about certain providers who have now installed fibre networks restricting the rollout of the service only to affluent areas in the country and not across the board, regardless of demographics?

The Speaker: The Premier.

The Premier, Hon. Alden McLaughlin: Mr. Speaker, the answer is yes; there are many complaints and both the OfReg and its director are very concerned about it. The concentration has been on the West Bay Road, George Town and certain parts of the Bodden Town district, very little beyond that.

[Inaudible interjection]

The Premier, Hon. Alden McLaughlin: To anticipate the follow-up question that may not be allowed, OfReg's answer to it is what I explained before: redefining broadband and building the fibre network themselves.

[Crosstalk]

Mr. Alva H Suckoo: Mr. Speaker I will offer some clarity on what I am suggesting. As Members of Opposition to Government, we have classified information that we pass within ourselves, and we would not want anyone prying into those communications.

[Laughter]

Mr. Alva H. Suckoo: Nothing to do with any sort of entertainment indulgence.

Unknown Member: Just want to make sure.

The Speaker: Some of you are very good at that entertainment, I note.

Next question.

QUESTION NO. 20
NUMBER OF TIMES AND DATES THE NATIONAL SECURITY COUNCIL MET SINCE SEPTEMBER 2013 AT THE REQUEST OF THE PREMIER AS PER S. 58(9) OF THE CAYMAN ISLANDS CONSTITUTION?

The Speaker: The Member for Bodden Town West.

Mr. Christopher S. Saunders: Thank you, Mr. Speaker.

I rise to ask question No. 20 standing in my name: Can the Honourable Minister provide the number of times and dates the National Security Council met since September, 2013; and of those meetings, how many were at the request of the Premier as per Section 58(9) of the Cayman Islands Constitution.

Thank you.

The Speaker: Honourable Premier.

The Premier, Hon. Alden McLaughlin: No, Mr. Speaker, if I were in charge of the NSC I would not have made the long complaint that I did. This is a matter for the Governor and, by delegation, the Deputy Governor.

The Speaker: The Honourable Acting Deputy Governor.

Hon. Gloria Mcfield-Nixon, Acting Deputy Governor:
Thank you, Mr. Speaker.

For clarity, as the Premier just referenced, the question was originally directed to the Honourable Premier and Minister for Human Resources, Immigration and Community Affairs; however, given that under the Cayman Islands Constitution the National Security Council is chaired by Her Excellency the Governor, I, as Acting Deputy Governor, shall provide the response.

Mr. Speaker, since September 2013, the National Security Council has met for a total of eight times on the following dates:

20th September 2013
4th July 2014
18th November 2014
8th January 2015
16th November 2015
17th February 2016
10th January 2017
31st October 2017

As a matter of practise, meetings of the NSC have been called in consultation with the Honourable Premier; therefore, it would be accurate to say that the Premier has provided direct input on all the meeting dates of the National Security Council since September 2013.

Thank you, Mr. Speaker.

The Speaker: End of questions.

STATEMENTS BY HONOURABLE MEMBERS AND MINISTERS OF THE CABINET

The Speaker: The Honourable Premier.

The Premier, Hon. Alden McLaughlin

Coat of Arms Diamond Anniversary and First Constitution

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

Those of us who have the privilege to serve in this honourable House know that the work we do here impacts Cayman not only today, but the generations of Caymanians to come.

For some of us, if we are fortunate enough, the decisions we make here will create important national symbols or institutions that last for generations and help define our Islands, so I am certain all in this House will agree with me that it is important that we pause to look back and reflect on where we have come from and celebrate key moments in our history, in particular, historic moments that represent the work done by past legislators.

In the next two years, our islands have two significant opportunities to celebrate our wonderful and colourful history:

- The 60-year Diamond Anniversary of our Coat of Arms on the 14th May this year; and
- Our First Constitution on Constitution Day, 1st of July, 2019.

Mr. Speaker, I am pleased to advise the House that under my direction, a small project team has been assembled to organise events that will celebrate and commemorate these historic anniversaries. Celebrations are expected to begin in May this year, both here, at home, and in the United Kingdom.

Historically speaking, the proposal for a Coat of Arms was approved by the Cayman Islands Legislative Assembly in 1957 and public input was sought on its design. The Royal Warrant assigning what were called “Armorial Ensigns for the Cayman Islands” was approved by Her Majesty’s Command on the 14th of May, 1958. As the original document displaying our Coat of Arms was, unfortunately, lost in the fire that destroyed the old Government Administration Building in the early 1970s, the Cayman Islands’ London Office is arranging for two facsimiles of the Original Coat of Arms document to be produced. One will be displayed in the London Office, and the other here.

Almost a year to the day of the assigning of our Coat of Arms, the House of Commons in the United Kingdom approved our First Constitution on the 13th May, 1959, and it was adopted by the Cayman Islands on the 4th July that year. Since that date, Mr. Speaker, the document that governs us has gone through a number of revisions, with the latest coming in 2009 following the country's first referendum, when the voters of these Islands agreed it was time to modernise our Constitution.

Mr. Speaker, our first Constitution was extremely important for several reasons: Firstly, we ceased to be a dependency of Jamaica, and became a Crown Colony in our own right. It recognised full suffrage, allowing women the right to vote and stand for election for the first time. It gave the Cayman Islands the ability to make and pass our own laws and thus helped to usher in many of the early laws on which we built our tourism and financial services industries so in many ways, the 1959 Constitution was the foundation on which the modern Cayman Islands have been built.

Indeed, our Constitution was also the first step towards political advancement for these Islands, as we became exempt from the control of the Jamaican Legislature. The arrival of our first Constitution had the effect of retuning some degree of independence to our legislators, linking us back 128 years to the formation of our first legislative body, the Assembly of Justices and Vestry, in 1831 at Pedro St. James.

Under the 1959 Constitution, the Assembly of Justices and Vestry was replaced with the Legislative Assembly. Mr. Speaker, I would like to remind this House and the public of the Members who comprised that first legislative Assembly in 1959. The administrator of the Cayman Islands, Major A. H. Donald, served as the President, with the Official Members comprising the Honourable James Astwood; the Honourable Earnest Panton and Mr. Desmond Watler, both of whom I have the honour of knowing.

There were also Members nominated by the administrator, namely, Mr. Emmis Forbes, Captain Theophilus [Theo] Bodden, and William Warren Conolly, one of our National Heroes. Mr. Speaker, the Elected Members were:

For West Bay: Arthur H. Ebanks, James Cadian Ebanks, and [Hon] T. William Farrington, known as Mr. Willy Farrington. For George Town: Dr. Roy McTaggart, E. Ducan Merren and A. Collin Panton. For Bodden Town, Malcom Eden and Arley James Miller. For East End: my grandfather, William Allen McLaughlin. North Side: Mr. Craddock Ebanks; and for the Sister Islands, Noland B. Foster and Keith P. Tibbets.

Mr. Speaker, it was these legislators who were soon grappling with the difficult conversations about the future these islands would take, including joining the West Indies Federation, remaining part of Jamaica, or maintaining a Constitutional relationship with the United Kingdom. Their decisions in those early days set us down the path to today.

Mr. Speaker, I believe you are quoted in a newspaper in 2009 on the 50th anniversary of the Constitution saying **"We should be truly proud of our rich history, especially our constitutional heritage, because it underscores the importance we place on the rule of Law and self-determination as an Overseas Territory of the United Kingdom."**

Mr. Speaker, in 2009 we were unable to have the celebration that such an anniversary of the Constitution deserved, but we now have an opportunity with the 60th anniversary of the Constitution and the Coat of Arms, to not only celebrate our history, but to educate our young people and remind us, older ones, of the importance of our Coat of Arms and our first Constitution. To mark these anniversaries, Mr. Speaker, the Government is planning a two-year programme of activities focused on engaging, educating, and inspiring our Caymanian youth; celebrating our diversity; celebrating the Cayman Islands' colourful history, and engendering national pride.

Mr. Speaker, as I said, the Coat of Arms was officially assigned by the House of Commons in the United Kingdom on the 14th May 1958, so it is fitting that the year-long celebration begins in London on that anniversary: Monday, the 14th May this year. Accordingly, the Cayman Islands Government will be hosting a reception at the Foreign and Commonwealth Office in London, where we will celebrate the 60-Year anniversary of the Cayman Islands' Coat of Arms. The United Kingdom's Government's Foreign Secretary Boris Johnson, and Garter King of Arms Thomas Woodcock will speak at the reception. Plans are to promote our links with the United Kingdom, as well as to tell the Cayman Islands' fantastic success story.

On the 15th May, Michelin-starred British Chef Clare Smyth will host a private Cayman bespoke lunch in London and share her experiences of the Cayman Islands. Some of you will remember that she was in Grand Cayman for ten days in March last year, to experience Cayman's fresh produce, meats and seafood which she used to produce pop-up culinary events.

Our London Office is also working with the Maritime Authority to take our anniversary celebrations to the Monaco Boat Show later this year, in September. It is only fitting that we are there to share in our commemorations because the Caymans Islands' flag, the Red Ensign, dominates 70 per cent of the super yachts of the world. Mr. Speaker, we will also have a presence at the Conservative Party Conference in Birmingham on the 1st of October, hosting events and a lecture in the context of a Global Britain including the Cayman Islands' role.

Our local celebrations will begin with the 28th of May launch, but I promised the project organising team not to steal their thunder about the plans under-

way, so I will leave it to them to announce the Cayman activities and events.

Throughout the celebrations of a Diamond Anniversary of our Coat of Arms and the first Constitution, we will undertake a programme of celebration and education about the Cayman Islands and our links to the United Kingdom. This includes the creation of an education pack on the history of the Cayman Islands that can be used in our Cayman schools—and, perhaps, also in schools in the United Kingdom; and an e-book about the Cayman Islands, as well as a book on the Cayman-UK connection being produced by the Cayman Islands London Office, in partnership with the West India Committee.

Here, a book commissioned by you, Mr. Speaker, to record for posterity the history of the Legislative Assembly, from its beginnings on the 5th December 1831 at Pedro St. James, up until today is being penned by former Speaker, the Honourable Mary Lawrence.

I look forward to sharing more about our celebrations with you, Mr. Speaker, once they are all confirmed. I am certain some Members of this House will join me in these events; and I am grateful both to you, Mr. Speaker, and the Leader of the Opposition who have already indicated your willingness to be a part of the Cayman Islands' Government's delegation to London in May. I invite other Members who wish to be a part of that celebration to give us the necessary indications so the arrangements can be made.

Mr. Speaker, I am already filled with a great deal of pride in what I see as being a wonderful set of opportunities for us to impart to the generations to come in these islands; and to some of the older people who may not recognise and acknowledge the significance of those events nigh on sixty years ago. It was really those five years, between 1957 and 1962, that set the platform, the foundation, in place for what is modern-day Cayman.

All the years of our settlement which preceded did not come close to the development of these islands in the last 60 years, starting with conferring on women the right to vote and stand for Public Office; the receipt of our Coat of Arms in 1958; our First Constitution in 1959; our separation from Jamaica following their independence in 1962, and our becoming a Crown Colony in our own right. All that occurred over that crucial five-year period, and it is from that point that these Islands have really taken off and developed to the place that we know now, which is the envy not just of the region, but most of the world.

I think we have a wonderful opportunity to celebrate from whence we have come, and what we have become; to tell more people around the world about it; in particular, to remind the United Kingdom of the link we have with them, and help forge for ourselves a greater and more prominent place in the widely-touted new global Britain.

Thank you, Mr. Speaker.

The Speaker: Honourable Premier.

Great Festival of Innovation 2018

The Premier, Hon. Alden McLaughlin: Thank you Mr. Speaker, I have one more statement.

At the Cayman Alternative Investment Summit in February, I announced that I had been invited by the United Kingdom's Government to lead a team from Cayman to attend the Great Festival of Innovation that will take place in Hong Kong from the 21st to the 24th of March. Excitingly, Cayman is being included for the very first time in the official UK delegation as part of the Global Britain Initiative.

I said at the time that the Financial Services Ministry, the Tourism Ministry, and the Health Ministry would reach out to industry leaders to determine the level of interest in businesses also attending and showcasing Cayman's world-class innovative products and services. This will be the first time that an overseas territory has been invited to participate in such an event by the United Kingdom's Government and provides us with an opportunity to not only continue to strengthen our relationship with the United Kingdom, but also to strengthen our business ties in Hong Kong.

The Asian market has become increasingly more important to our financial services business, and with the advent of Financial Technology or FinTech, there is a vast opportunity that we will be able to grow that business from this region. Indeed, Mr. Speaker, we have had two large business delegations from China and Hong Kong visit Cayman over the past twelve months. In addition, in February of last year, I and members of the Government met with the Chinese Ambassador to the United Kingdom, Mr. Liu Xiaoming, to discuss deepening the relationship between China and the Overseas Territories.

He also hosted a lunch in London for the Cayman delegation, along with Chinese business leaders. At this time, he told us that with the separation of the United Kingdom from the European Union on the horizon, it was a good time for China to work with the UK and by extension, the Cayman Islands, to expand a mutual business interest. He also said that he would encourage China's business leaders to look to the Cayman Islands for opportunities to expand business cooperation.

Mr. Speaker, keeping our fingers on the pulse of the Asian market is important, especially as we continue to do battle with the EU on the validity of the Cayman business model; and so we view this invitation by the United Kingdom to attend the festival of innovation in Hong Kong, and to participate alongside the UK in several of the main events, as not only an honour but as an important initiative to strengthen ties. The festival also gives us an opportunity to support the Caymanian financial services firms in Hong Kong, as well as highlight Cayman's strength in financial

services, luxury tourism, innovations in health, and Cayman's health care industry.

Mr. Speaker, joining the Government delegation will be representatives from the private sector including Cayman Finance and Cayman Islands Chamber of Commerce. Health City-Cayman Islands' Doctor Devi Shetty will also attend and speak on health, as well as serve as a panellist in a session entitled "Living longer, living better."

The Honourable Minister of Health will attend to champion innovations in health care and the Honourable Minister for Financial Services will take part in a panel discussion on financial technology futures, while the Honourable Minister for Commerce, who will attend the festival wearing two hats — commerce and tourism — has been invited to serve on a panel entitled "Beyond Luxury", where he will speak to Cayman's high-end tourism product.

Mr. Speaker, I will use this opportunity to meet and strengthen ties with business leaders in Hong Kong, and as such I will host a festival event, together with the Financial Services Minister, that will highlight the Cayman Islands and our financial services business. Another important benefit of participating alongside the United Kingdom will be opportunities to reinforce the relationship we have jointly built over the past several years.

We not only anticipate engaging in UK-sponsored fringe events with UK government representatives, but we look forward to having them join us at a Cayman Islands cocktail reception where they will hear first-hand the good work we do regarding financial services, and have opportunity to meet leaders of Hong Kong-based Cayman companies. In particular, Mr. Speaker, we expect the Secretary of State for International Trade, Mr. Liam Fox, to be in attendance at our reception. Prior to the reception, Mr. Fox and I will have a bilateral meeting to discuss matters of interest between the Cayman Islands and the United Kingdom.

I am excited about this venture, Mr. Speaker, because the way we live, work, learn, and play in the world is changing exponentially. Innovation has made the world smaller, cities smarter, work automated, education virtual, and playing in our pockets. Now more than ever, we must look to the future and work with partners who share our creative spirit.

Mr. Speaker, we all know the world of work is changing. Technology has created new industries, business models, and behaviours. While we are in Hong Kong, we will also join other attendees in exploring how work and business are being transformed by innovation, radical ideas, and disruptive technology, and most importantly, we will have the wonderful opportunity to promote these blessed Isles on the world stage once again.

I thank you, Mr. Speaker.

The Speaker: Honourable Minister of Financial Services, do you have a statement?

Minister of Financial Services

EU announcement on Cayman's tax transparency regime

Hon. Tara A. Rivers: Yes, thank you Mr. Speaker.

Mr. Speaker, following a year-long dialogue between the Cayman Islands Government and the European Union (EU) which included multiple face to face and other engagements, on the 5th December 2017, the EU announced that the Cayman Islands was not included in its list of non-cooperative jurisdictions for tax purposes. This was both a public acknowledgement of our cooperation with the EU, and a testament to the strength of our tax regime. In particular, the EU had no concerns with the Cayman Islands' regime as it relates to tax transparency, meaning it is satisfied that the Cayman Islands effectively exchanges tax information with other countries.

Mr. Speaker, this is yet another clear testament by another international body, that contrary to the propaganda pushed by some detractors, the Cayman Islands are not a secrecy jurisdiction or tax haven.

In addition, Mr. Speaker, the EU has also acknowledged our commitment to the implementation of the OECD's Base Erosion and Profit Shifting Programme, otherwise known as BEPS. BEPS was developed in order to address the concern regarding multinational companies' aggressive tax avoidance strategies. However, while the EU recognised our overall regime as being cooperative, it did express a concern regarding one particular aspect of it. In our ongoing spirit of global cooperation, Cayman made a commitment to address that concern and today, in order to keep both the Members of this honourable House and the public informed, I am updating you on our progress in relation to it; but first, as a brief background, I will summarise information that is already in the public domain.

Mr. Speaker, the EU's list identifies countries it considers to be non-cooperative in working with the EU Member states to combat tax fraud, evasion, and avoidance, which erodes the tax basis of the EU Member States. When the list was announced on the 5th December 2017, seventeen countries were listed as non-cooperative although there appears to have been movement of countries on and off that list since it was first announced. The EU then deemed another forty-seven countries as cooperative, but it also said that these countries could make further enhancements to prevent misuse of their jurisdictions. The EU included the Cayman Islands in this category.

The EU screening process entailed consideration of three criteria:

- Tax transparency;
- The implementation of the OECD's Base Erosion and Profit Shifting (BEPS) programme; and
- Fair taxation.

As I indicated earlier, Mr. Speaker, tax transparency refers to the effectiveness of how countries exchange tax information with each other; BEPS was developed in order to address multinational companies' tax avoidance strategies; and fair taxation refers to the lack of preferential tax measures as well as economic substance. To reiterate: The EU has no concerns with Cayman's tax transparency, meaning it is satisfied that we effectively exchange tax information with other countries. It also has no concerns with the BEPS commitment because we had already given that in 2017.

On the point of fair taxation, it is important to stress that Cayman's tax regime does not include preferential tax measures. It does not charge different rates to persons based on factors including whether the person resides in Cayman or not; however, Mr. Speaker, despite this fact, the EU wants more assurance that Cayman's tax regime allows for economic substance. I would underscore at this point though, and for the purposes of the EU process, that the term "Economic Substance" is still being defined, so in cooperation, the Government is therefore continuing our discussions with the EU on the issue of economic substance.

As it relates to the process moving forward, Mr. Speaker, the EU is now in its monitoring phase of the commitments made by countries to eliminate the EU's concerns about allowing the incorporation of companies that are not allowed to operate in our local economy, which is sometimes referred to as ring-fencing. The Government has committed to revising Cayman's Exempted Companies regime to allow these entities to operate in the local economy only if local participation requirements are met. To elaborate on what I mentioned earlier, the Cayman Islands and the EU are also discussing enhanced accounting and regulatory reporting obligations and the definition of "Economic Substance" for relevant businesses.

Importantly, Mr. Speaker, the Government will continue to consult with the financial services industry on any legislative amendments that may be necessary. This is in line with the Government's long-standing practise, as we recognise that ongoing dialogue with our key stakeholders is paramount to the current and future success of the Cayman Islands' financial services industry.

Mr. Speaker, this is also in keeping with the practise adopted from the very beginning of this latest EU screening process. To this end, the Premier and I, along with the Ministry's technical team have already met with the representatives of each of the financial services industry associations to update them on the progress, the commitments, and the ongoing discussions with the EU because, Mr. Speaker, our collective goal is to ensure that we continue to protect, promote, and grow our vibrant and vital financial services' industry.

Mr. Speaker, I thank the Members of this honourable House and the public for taking the time to understand this global issue and its local implications, and I also for their support in contributing to an economy that, through our prudent response to these and other global issues, will remain strong and viable for all business owners including our local business owners.

Thank you.

PERSONAL EXPLANATIONS

The Speaker: I have been made aware of the Member for Savannah's intention to make a personal explanation.

Elected Member for Savannah

Mr. Anthony S. Eden: Thank you, Mr. Speaker.

I appreciate you giving me the opportunity, under "personal explanations", to use a slight variation that will encompass a couple of areas I want to share with this honourable House, and more importantly with parents and others in the Cayman Islands that may not have access to the internet and other services that provide information. This is a warning and alert to parents on what is happening around us. The concerted efforts by some members of the LGBTQ [community] to influence our young children about their lifestyle.

In this instance I am referring to Canada, in light of recent occurrences with some of our precious and innocent children suffering abuse; and the second article I will refer to, indicates what happened in Bermuda, one of our fellow Overseas Territories, when the populist took a special and definitive stand. Mr. Speaker we all know that if North America sneezes, Cayman gets the cold, so I think it is best for us to be forewarned.

Mr. Speaker as I indicated, the first article emanates out of Vancouver, Canada and it is in reference. It is titled "*Mommy, I Don't Want to Be a Boy!*" which was a little girl's reaction to the radical sex education programme:

"In Canada, the fight is on over a radical sex education curriculum being pushed in public schools by LGBTQ advocates. Many parents fear their children will become confused and even brainwashed, while supporters claim the programme is about allowing students to be their "true selves." It's called Sexual Orientation and Gender Identification, or SOGI, a curriculum that teaches public school students across Canada to

celebrate the homosexual lifestyle and that gender is fluid" — In other words, Mr. Speaker, your gender is not dependent on what parts you were born with, but rather what you feel like at the moment.

"One female teacher in Canada told her young class, "There are people who are boys, there are people who are girls; there are people whose gender might be a little bit of both, or might even be neither."

Lessons include books about transgender children, such as *10,000 Dresses*, and songs like "The Rainbow Song," which includes the line, "Gender won't decide the choices we make. Some boys like dressing up; some girls like catching snakes." The SOGI curriculum started in British Columbia in 2016 and is quickly spreading throughout Canada.

"And I just thought, who decided that this was OK to teach our children?" said Laura-Lynn Tyler-Thompson, a leading opponent of SOGI. Tyler-Thompson, an author and inspirational speaker, says among other things, SOGI mandates children as young as kindergarten age be told they can be a different gender than their actual one.

"**And we are seeing the results of that now because some kids are reacting very emotionally and saying, and they're in fear, will I suddenly struggle with feeling like a different gender inside of my body?", Tyler Thompson said.**

Kari Simpson of Culture Guard— another leading opponent— calls the curriculum nothing short of child abuse. "So all those beautiful qualities that make young girls beautiful, girls and women are being basically vilified, the things that make our boys, boys, are being taken from them, so equating young men to being strong protectors, is something that is now evil," Simpson said.

Another blaring example is *Drag Queen Story Hour* — this is scary, Mr. Speaker. **It is happening in Canada and America, where some public schools and libraries invite Drag Queens, some dressed like horned demons, to read to young children"**—*[inaudible]* a sample of that here some time ago, when they had the thing down at one of the hotels.

"It is a social deconstructionist agenda, They are using little 5-year olds to accomplish this and then raise them up to be radicalised social justice warriors and parents are waking up and saying no.".

What about parental rights? "When asked about parent's rights, Oger says, 'Actually in Canada, the parents' rights are limited and children's rights are put ahead, so the child has the right to be protected from the parents when the parents behave badly.' I will skip down to save time, Mr. Speaker.

"It is very scary, this is very scary stuff," said Pastor Kevin Cavanaugh of Cedar Grove Church in Surrey. Long-time Vancouver area pastor, Kevin Cavanaugh, says 'this is far more serious than most Canadian Christians realise. Our problem is not the teachers, the educators, the administrators. This is a battle in the heavenlies and Satan is trying to destroy people's souls,' he said.

Cavanaugh says Satan is going after the most vulnerable— the children. "And this little girl, as I started out earlier, **"came home in tears because the teacher had told her that she was playing with some toys in the class that were deemed to be masculine in nature; that she was likely a boy in a girl's body," Cavanaugh said. "She came home in tears and said 'Mommy, Mommy— I do not want to be a boy!' The mother went to the school the very next day and instead of having any tolerance or support or understanding, she was actually called names, she was told she was a homophobe, a bigot,' he said.**

With that in mind, Tyler Thompson, Simpson and Pastor Cavanaugh are spreading their message across social media and in Town Hall meetings. But the pro-gay backlash has been fierce. "And that hatred and the anger and the bullying came against us, even though we said, we love you, we don't take from you the opportunity and the freedom to live as you choose. We love you, but we do not agree with you. But the hatred that came back, I was called a homophobe, a Hitler," Tyler Thompson said. "We don't have the religious freedom that we thought and now our children are being indoctrinated with something that we do not believe as Christians."

Mr. Speaker that is what is happening across, in the great North America, including Canada and certain parts of Texas.

The other article that came to my attention and I shared with some of my colleagues was in *Citizen Go*, the earlier part of last month and it says, *"Thank you Bermuda, for reaffirming natural marriage!"*:

Bermuda just became the first country in the world to abolish same-sex marriage one year after it was legalised. **The Government of Bermuda has affirmed that natural marriage is the Union of one man and one woman. Bermuda Gov. John Rankin signed a bill into law reversing an earlier Supreme Court ruling that legalised same sex marriage. That Court decision had overruled a referendum in which Bermudian voters rejected same-sex marriage by a wide margin. The Government noted in a bill signing statement that the majority of Bermudians do not support same-sex marriage. Bermuda's recent repeal of same-sex marriage is an example to the world that marriage revisionism is *not* inevitable and that the institution of natural marriage *can* still be protected.**

But now Bermuda, similar to what I talked about in Canada, **is under fire from the LGBT activists and an international cabal trying to push their views unto the people of Bermuda. The global community must rally to show Bermuda that we support their decision to define marriage as the union of one man and one woman.** I, and some colleagues of mine, took the opportunity to support the Bermuda Government in this effort.

After hearing all the good stuff we are doing from the Premier and the Minister of Financial Services, let us make sure we do not lose things "down the wash" for the wrong reason and the wrong people.

Thank you, Mr. Speaker.

OBITUARY AND OTHER CEREMONIAL SPEECHES

The Speaker: None.

RAISING OF MATTERS OF PRIVILEGES

The Speaker: None.

GOVERNMENT BUSINESS

BILLS

THIRD READINGS

The Youth Justice (Amendment) Bill, 2018

The Speaker: The Honourable Attorney General.

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

Mr. Speaker, I beg to move that the Youth Justice (Amendment) Bill, 2018 be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled the Youth Justice Amendment Bill, 2018 be given a third reading and passed. All those in favour, please say Aye. Those against, No.

AYES.

The Speaker: The Ayes have it.

Agreed: Youth Justice (Amendment) Bill, 2018 given a third reading and passed.

The Trade and Business Licencing (Amendment) Bill, 2018

The Speaker: The Honourable Minister of Commerce.

Hon. Joseph X. Hew: Thank you, Mr. Speaker.

Mr. Speaker, I beg to move that a Bill shortly entitled the Trade and Business Licencing (Amendment) Bill, 2018 be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled the Trade and Business Licencing (Amendment) Bill, 2018 be given a third reading and passed. All those in favour, please say Aye. Those against, No.

AYES.

The Speaker: The Ayes have it.

Agreed: Trade and Business Licencing (Amendment) Bill, 2018, given a third reading and passed.

MOTIONS

GOVERNMENT MOTIONS

Government Motion No. 6/2017-2018 Issuance of a Deed of Indemnity to the Members of the Cayman Islands Monetary Authority Board

The Speaker: The Honourable Minister of Financial Services.

Hon. Tara A. Rivers: Thank you, Mr. Speaker.

Mr. Speaker, I beg to move Government Motion No. 6/2017-2018, pursuant to the Public Management and Finance Law (2017 Revision), which reads as follows:

WHEREAS the Government of the Cayman Islands is desirous of issuing a Deed of Indemnity to the members of the Cayman Islands Monetary Authority Board as per the attached Deed of Indemnity;

AND WHEREAS Section 8 of the Public Management and Finance Law (2017 Revision) provides that as a general rule, no guarantee may be given by or on behalf of the Government unless it has been authorised by a resolution of the Legislative Assembly;

BE IT NOW THEREFORE RESOLVED that the Legislative Assembly hereby authorises the issuance to members of the Cayman Islands Monetary Authority Board a Deed of Indemnity guarding against the potential liability of members of the Cayman Islands Monetary Authority Board.

The Speaker: The question is BE IT NOW THEREFORE RESOLVED that the Legislative Assembly hereby authorises the issuance to members of the

Cayman Islands Monetary Authority Board a Deed of Indemnity guarding against the potential liability of members of the Cayman Islands Monetary Authority Board.

Honourable Minister.

Hon. Tara A. Rivers: Thank you Mr. Speaker.

Mr. Speaker, I rise to briefly speak to the Motion that seeks to authorise the issuance of a Deed of Indemnity to the members of the Cayman Islands Monetary Authority Board (CIMA).

Mr. Speaker, as this honourable House may be aware, the Public Authorities Law, 2017 was passed by the last administration and came into force on the 1st of June 2017. The law's purpose is to provide uniform regulation of the management and governance of public authorities; however, Mr. Speaker, the Cayman Islands Monetary Authority has since raised concerns that the immunity provisions of the Public Authorities Law are inconsistent with the relevant provisions of the Monetary Authority Law (2016 Revision).

Mr. Speaker, CIMA's position is that clarity should be achieved by amending the relevant provisions of the Public Authorities Law. The Deputy Governor and the Attorney General are already aware of the concerns expressed, and are looking into the issues as raised by CIMA with the intention of bringing appropriate amending legislation to address them. In addition, several of CIMA's Board members have expressed their reluctance to continue to serve in their present roles unless the Public Authorities Law is amended, or they have been provided such a Deed of Indemnity in the interim.

Mr. Speaker, the Government's Motion to issue a Deed of Indemnity for CIMA's Board members aims to ensure that CIMA retains and attracts top-level expertise for its representation and composition of the Board, which in turn maintains confidence in the robustness of our regulatory framework so, Mr. Speaker, as required by Section 8 of the Public Management and Finance Law (2017 Revision), a Resolution must be obtained from the Legislative Assembly to grant approval for the Deed of Indemnity. The Deed of Indemnity and the Government Motion were drafted by the Ministry in consultation with the CIMA Board and the Legal Department, which approved the document, shown as Appendix A, and circulated by staff of the Legislative Assembly.

In closing, I ask for the support of this honourable House to approve the issuance of a Deed of Indemnity to members of the Board of Directors of CIMA guarding against their potential liability.

The Speaker: Does any other Member wish to Speak? The Member for Bodden Town West.

Mr. Christopher S. Saunders: Thank you, Mr. Speaker; I will just wait for the Serjeant to bring the lectern.

[Inaudible interjection]

The Speaker: Before you begin, I call on the Premier.

Suspension of Standing Order 10(2)

Hon. Alden McLaughlin, Premier: Thank you Mr. Speaker.

Mr. Speaker, I beg to move the suspension of Standing Order 10(2) in order that the business of the House may continue beyond the hour of interruption.

The Speaker: The question is that Standing Order 10(2) be suspended in order for business to continue. All those in favour please say Aye. Those against, No.

AYES.

The Speaker: The Ayes have it. The House continues.

Agreed: Standing Order 10(2) suspended.

The Speaker: Honourable Member for Bodden Town West.

Mr. Christopher S. Saunders: Thank you, Mr. Speaker.

When I looked at the language in the Deed, it raised a bit of concern. I just want to put it out there, for the record at least, that this honourable House actually looked at six issues that kind of jumped out at me.

First, when I consider CIMA's function, I think we probably may be sending a message. Considering that CIMA is a regulatory body that regulates other directors. I think issuing kind of a "blank cheque" to directors who regulate other directors is definitely something.

The second thing that jumped out at me when I looked at both the Monetary Authority Law and the Public Authorities Law, [is that] based on existing legislation, it appears the directors were covered.

Another thing I worried about was that I noticed the Deed itself had one director missing. I wondered then, what protection is there for the Managing Director because I noticed that person and the staff are excluded from the Deed because I think, for some strange reason, they may also be exposed to some extent.

Mr. Speaker, if it is a case where the immunities that we put under the existing legislation are not working for CIMA's directors, then the question is, are they also not working for other directors and other boards, which then naturally asks, do we now expect

that the NRA board, HSA board, and all these other Government Boards would be open to the same risk? If so, we have a potential floodgate issue.

Then I noticed— and this was just a comparison— that the Deed we are issuing is slightly different from both the standard deeds that were issued in the past, and the one that is scheduled to come. At the same time, I wanted to ensure that we were not seen to be doing anything preferential for one Board versus another and the whole nine yards. Those were things that jumped out at me when I first looked at it.

Mr. Speaker, I had these concerns, so I looked at the role of CIMA itself. The thing is, CIMA regulates our financial industry and the directors of the entities that CIMA regulates are expected to perform a certain way — expected to have due care, act in good faith, et cetera, and if they fail to do so, they can be prosecuted. The question then is what message would we be sending to our financial industry on what we expect from their directors if we give CIMA's directors a blank cheque?

I visited CIMA's website and read their principal functions and I will not read all of them; I only want to highlight these four to this honourable House:

- **Have regard to generally accepted principles of good corporate governance;**
- **Endeavour to promote and enhance market confidence, consumer protection and the reputation of the Cayman Islands as a financial centre;**
- **To recognise the principle that a burden or restriction that is imposed** (on a person or the carrying out of an activity) **should be proportionate to its expected benefits**, considered in general terms which are expected results from the imposition of that burden or restriction;
- Recognise the need **to be transparent and fair (**on the part of the Authority."

I do not know whether you want a copy of this? That is fine.

Mr. Speaker, when I looked at that and considered sections 11(1) and (2) of the Monetary Authority Law (2016 Revision) which deal with the Board of directors and reads: **"There shall be a board of directors of the Authority which, subject to this Law, shall be responsible for the governance, policy and performance of the Authority and the general conduct of its affair and business."**

The board shall consist of-

(a) the managing director as an *ex-officio* director; and

(b) not more than nine other directors (including the chairman of the board and the deputy chairman of the board),

appointed in accordance with sections 12 and 13, each of whom shall be a fit and proper person and shall have demonstrated to the satisfaction of the Cabinet substantial knowledge and experience relevant to at least some of the functions of the Authority."

I was not too sure what that *"fit and proper"* was, Mr. Speaker, so I went to CIMA's website again to see exactly what it entails. Again I must say that what CIMA's team has on the website is actually quite informative. I just want to read to this honourable House some of what CIMA requires of the Directors within the financial services industry. I will not go through all of them, Mr. Speaker, but some that jumped out which I want to make this honourable House aware of.

In terms of 'fit and proper' they have obligations of the licensee. in section 5.1 [of the Regulatory Policy]. It says: **"When a licensee seeks to appoint a person to perform a controlled function, the burden is on the licensee sponsoring the application to satisfy the Authority that the person is fit and proper to perform the function for which the person is engaged."**

Section 5.2 goes on to say, Mr. Speaker: **"It is expected that the assessment conducted by the licensee will take place during the recruitment stage and on an ongoing basis, and that the licensee make every effort to verify qualifications, experience, references and membership of professional bodies. It is also expected that the licensee will conduct probity checks on criminal history, sanctions, legal proceedings, and other similar matters. The licensee should be able to satisfy the Authority that the person proposed to act in a controlled function possesses sufficient competence and capability for the particular function."**

Section 6.1.9 also says, Mr. Speaker:

"Whether the person has been a person in a controlled function, of a business that has gone into insolvency, liquidation or administration while the person has been connected with that organisation or within one year of such a connection."

Mr. Speaker, as you go through more and more of these requirements and you see what is expected of a director for an entity licenced by CIMA— and it is an exhaustive list which I will not go through— the question is, do we really and truly want to indemnify the regulators of an entity that is also regulating other directors? I think the message it is sending is one we need to be very careful of.

Now, Mr. Speaker, I want to say for the record— and I know both yourself and the Premier would know this first hand: there are some things in this House that should be above politics, and CIMA and our financial industry is one of them. I know you of all people would know, Mr. Speaker… when we were on the road show around nine years ago we saw the amount of information that was gathered on the Cay-

man Islands, based on utterances that were made locally.

We know our international competitors are watching and listening and, having worked for a global financial organisation, I want to say that nothing makes me prouder than when I go overseas and interact with some individuals and they ask me whether I know such and such a person at CIMA. I can say to you, Mr. Speaker, as a person who was previously regulated by CIMA, that we have a world-class regulatory body in place and as such, we in this honourable House need to ensure that we do not say or do anything to give the public or anyone any impression that there are weaknesses within our own regulatory function.

The thing is, Mr. Speaker, as we look at what we expect of those directors, I do not think it is right that we should then set out such broad indemnity for our own directors. Something that caught my eye, and it was just a matter of going through and reading ahead while preparing for the meeting, was Section 2.1 of the Deed itself, and when you compare it to the standard clause that we have out there, there is a difference, and I am going to read it so you can understand exactly where I am coming from.

In section 2.1 the Deed for the Monetary Authority says, "Subject to clauses 2.9 and 3.3 of this Deed, the Cabinet shall to the fullest extent permitted by law and without prejudice, to end any indemnity to which an indemnified person may otherwise be entitled, indemnify and hold the indemnified person harmless on demand in respect to all claims and losses arising out of, or in connection with actual or purported exercise of, or failure to exercise any of the indemnified person's powers, duties, and responsibilities as a member of the board from 1st of June 2017 onward, *provided that* the indemnified person acted in good faith." [UNVERIFIED] This is where it ends.

Indemnities that were issued in the past, Mr. Speaker, carried on to say "provided that the indemnified person acted in good faith and in a manner reasonably believed by the indemnified person to be in or not opposed to the best interest of the board." I also noticed differences in clause 2.3 between this deed and previous deeds, so I am curious as to why that part would have been taken out.

Listening to the Honourable Minister, when she was explaining the genesis of how we came up with this Deed— and recognising the talent that is on the CIMA board— I want to know what was the driving force; why this standard part of the deed was changed and that part was taken out. Now, I do not want it to suggest that there is something untoward other than the fact that maybe CIMA has better legal minds, which would confirm that we have good people on the Board to have actually known something. I just want to put that out there because as you look back and forth you realise that there is a slight difference in the language.

It was something I wanted to find out, Mr. Speaker; why those parts were taken out of the CIMA Deed because, if this is a standard Deed and we have issued it in the past, does it then mean the people those previous deeds were issued to— are they now more exposed, or is there something different why their deeds are different from the CIMA Deed when they are supposed to be looking to achieve the same role. I was trying to understand why those deeds were different.

The thing is, Mr. Speaker, that if I am sitting on a government board right now, and I am hearing that the directors of CIMA are now given an indemnity because they are worried about getting sued, and recognising that even the liquor licencing board is looking at the same thing, the question is how many more deeds of indemnity should we expect at the LA because it means that if the law is inadequate… This is a House that makes and amends laws but what we do not do, Mr. Speaker, is issue blank cheques. When I look at some of the clauses within the deed— I just want to read a couple of them, Mr. Speaker, for Members to fully understand— they say, "Each indemnified person *shall*, after consultation with Cabinet, have the right in their sole discretion to appoint and be legally represented by counsel or a law firm of his or her choice." [UNVERIFIED] That is a very expensive regard right there.

Also, when you look at Section 2(6), Mr. Speaker, it says, "The indemnity containing clause 2.1 shall extend to oblige the Cabinet, within 28 business days of any written demand, first to advance to the indemnified person the full amount of all costs or expenses, not limited to the legal costs, expenses and or disbursement anticipated by the indemnified person to be incurred by such indemnified person in defence of, or otherwise in connection with any claim commenced against him/her or in connection with the board or any losses in any jurisdiction indemnifying the person unto this deed; and secondly to provide all such further advances as are necessary to cover any such further claims or losses within 28 business days and any further written demand being made to indemnify a person or the board and copy to Cabinet." [UNVERIFIED]

Mr. Speaker, it is very broad and recognising the industry that CIMA is in chances are, if somebody's looking to sue CIMA, I guarantee you, Mr. Speaker, they are going to have very deep pockets; and if we are going to go out and get legal counsel, and worst if it is two, three or four directors being sued at once, and each of them is going out to get their own lawyer— whichever QC or whichever firm that they need from around the world— the cost can become quite staggering, and we are talking about just one board, and even maybe just one incident.

Mr. Speaker, even if the person were to plead no contest, we would still be responsible. Is this really the message we want to be sending in this day and age rather than fix the law, because if the issue is with

the law, we amend laws but what we do not do, Mr. Speaker, and I strongly discourage it, is start issuing blank cheques. I know we have in the past, to Cayman Airways and CINICO, but those are government entities; they are companies. I think they are under the Companies Law and are slightly different.

I am even sympathetic to a government department, Mr. Speaker, for the simple fact that I can tell you, as a former member of the Business Staffing Board, we have had discussions in terms of our own exposure; about possibly being sued and especially, when you turn down permits for law firms and so forth and recognising that they have three, four floors of lawyers, and you have none, that someone can basically tie you up just for the fun of it. Naturally, these are questions board people ask.

The Member for Newlands and I served on the HSA Board during the first UDP Government, Mr. Speaker, and we had those concerns even though it was in the law that we had some protection. The question for this honourable House to consider is if the law is inadequate, do we:

a) Work on fixing the law; or
b) Just start issuing Deed of indemnities to directors on government boards, because we have another one proposed.

The question is where do we stop— because we are now opening up this country's contingent liability if, indeed, someone was to sue the country.

Mr. Speaker, I accept where the CIMA directors are coming from because they are personally exposed, and I really cannot blame anyone on any board for wanting to protect themselves— it is the reality of the world we are living in; however, I would like to know if, going by what the Honourable Minister said, that there are issues within the Public Authorities Law which we are looking to correct. Are we going to cancel these deeds once we correct those issues?

If that is the case, and this is only a temporary fix, I can live with that, but if it is a situation where we may not get around to it and other board members start freaking out and decide, *you know what, maybe CIMA is on to something. We need to ensure we are not exposed, so let us ask Cabinet for this deed too.* Mr. Speaker, when you consider the number of government boards and the number of directors that we have sitting on these boards, do we really want to open this door and go down this route?

Mr. Speaker, I recognise and understand where the Government is coming from, and I am sorry that I did not get the chance to speak to the Honourable Minister before this to find out in advance if it would have been temporary, because it would have saved me from raising these concerns. At a minimum, I think it is important for us to recognise that we need to amend the law as a priority, because we cannot in good conscience ask people to serve the country by sitting on boards, knowing that we have a law which is flawed and leaves them unprotected. I know the papers may have frightened some of you, but when I read, I like to get a good understanding of things.

In closing, Mr. Speaker, I want to thank the members of the Board of the Cayman Islands Monetary Authority, some of whom have been on the board for quite some time and, I think, have done a fantastic job, which is something that we should always recognise because public service is still a noble calling. At the same time, we need to ensure that we are not leaving other directors unprotected.

I will end my contribution there; I just wanted to remind this honourable House that we do not want to leave anyone on any board unprotected.

Thank you, Mr. Speaker.

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

The Honourable Attorney General.

The Attorney General, Hon. Samuel Bulgin: Mr. Speaker, very briefly by way of a couple of observations.

It is true that the language in the Deed of Indemnity referred to by the honourable Member is somewhat generous, if I may put it that way, but like any other deed of indemnity, these are matters for discussion between the parties.

The parties always tend to agree on the language that they consider adequate in any deed, so there really is not any standard language or particular incantation. It is all a matter of discussion and agreement between parties as to what language in a deed would give them comfort and so there are different variations, but the basic intent is the same— to provide your directors with the necessary comfort from any sort of exposure that they might have arising out of their directorship. Other deeds were issued to Cayman Airways and CINICO, but the purpose is the same.

One of the provisions referred to by the Honourable Member, for example, Section 2(4), "Each indemnified person *shall*, after consultation with the Cabinet, have the right in their sole discussion to appoint and be legally represented by counsel or a law firm of his or her choice." (UNVERIFIED)

Whilst the language there might seem a bit wide to the Member, the fact is that, before counsel is selected by the director it requires consultation with Cabinet and the expectation there is that when those discussions are held, certainly Cabinet has the ability to agree the terms of the retainer, and the extent of the legal expenses that might be incurred, and so be able to contain it. I mean, it is not a blank cheque. It certainly is not a blank cheque. I certainly do not read it that way. I think it provides Cabinet with the oppor-

tunity to have input in the attorney or the firm that is selected to represent the director.

Section 2.6, if you look at it, I think it is Cayman Airways, I think it might say seven days in terms of the period within which the Cabinet is obliged to advance the indemnified person with the fund. We had a look at this and we agreed that the period ought to be extended, and that is how we arrived at 28 days. It was by way of agreement with the parties that we would have this period extended to 28 days. Mr. Speaker the bottom line is that, like any other deed of indemnity, this one was arrived at after discussions on both sides, and I do not think that it creates any greater exposure to Government than any of the others that we have entered into.

The question about whether or not the deed was necessary is another issue, but the honourable Member gave the explanation for that. The Public Authorities Law was enacted by Government to create consistency in the governance of public authorities.

Mr. Speaker, there are two provisions in there, 23 and 54, which deal with immunity for persons in these statutory authorities. The language in the Public Authorities Law is not unique to CIMA; it affects OfReg and other authorities. CIMA raised some concerns about the scope of the language in the Public Authorities Law, in particular sections 23 and 54, and they took the view that it is not wide enough to provide the directors and the staff with the necessary comfort that they would require to carry out their function— and I say comfort in terms of exposure, liability.

We had a look at the language, and even though we (we, meaning the Chambers) were of the view that the language in sections 23(2) and 54 were intended to provide that sort of comfort, there was an argument to be made that the language itself could have been more fulsome and so, Mr. Speaker, if you look at section...

I am sorry, Mr. Speaker, forgive me; I was not really prepared to speak on this Motion, so I did not come prepared, but if you look at the language in section 23(2) of—

[Inaudible interjection]

The Attorney General, Hon. Samuel Bulgin: The Law. I am sorry.

[Inaudible interjection]

The Attorney General, Hon. Samuel Bulgin: I do not have a copy.

The Speaker: This is a good time to take a fifteen-minute break.

The Attorney General, Hon. Samuel Bulgin: Yes, I would like to get myself a copy of the Public Authorities Law, which is what I do not have, Mr. Speaker.

The Speaker: The House will suspend for fifteen minutes, please.

Proceedings suspended at 5:06 pm
Proceedings resumed at 5:25pm

The Speaker: The House has resumed its sitting. Please be seated.

Honourable Attorney General continuing.

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

Mr. Speaker, thanks again for the opportunity to get some material. As I mentioned to you, I did not anticipate that I would be speaking on this, and so I was trying to ad-lib and obviously was struggling a bit, so thanks for the opportunity. I have now had a chance to refresh my memory about some of these things which I had a look at some time ago.

Mr. Speaker, just to mention again that, as far as the deed of indemnity is concerned, because of some of the amendments that were done to the Public Authorities Law, it is CIMA's Board of Directors' and CIMA's view, generally, that it might raise the issue of legal exposure to them in the carrying out of their functions, and so they asked that the law be revisited. In addition to that, the directors took the view that as a matter of belt and braces, if I might put it that way, they would prefer to have in place a deed of indemnity.

Mr. Speaker, there are conflicting views as to whether or not that was strictly necessary because section 44 of the Monetary Authority Law, which deals with the indemnity for directors— and we are talking about indemnity now, not immunity— remains unaffected by the Public Authorities Law. The Honourable Minister mentioned that, given the importance of CIMA's role, it is important that its directors enjoy the necessary comfort and peace of mind, if you will, in carrying out their function, and I certainly agree with her as far as that goes.

Mr. Speaker, what brought about some of the concern was that the directors and staff at CIMA took the view that because the tort of negligence was introduced by the Public Authorities Law as it relates to the operation of some public authorities, whereas before you could only sue these public authorities when the directors and officers acted in bad faith, the Public Authorities Law now says that if you can prove negligence, then of course, they can be sued as well.

Mr. Speaker, you recall section 12 of the Health Services Authority Law, which we had to look up based on the court ruling in the Donnette Thompson matter, and the question is whether you can really, constitutionally and otherwise, shut out someone who has a genuine case where somebody has been negligent, whether you could shut them out from any remedies from the court. The Health Services Authority Law has been amended to address that issue. How

do you deal with that then? If you now introduce the tort of negligence, should the public authorities' directors and staff be given the necessary indemnity so they do not have to pay out of their pockets when they are sued and if there is a judgement against them?

The board of directors— well, may I just CIMA, for the purpose of this discussion; CIMA certainly raised some concerns about the provisions of the Public Authorities Law. In particular, Mr. Speaker, they were concerned about the possibility of claims in negligence by a third party who now enjoys such a right of action, and the legal cost in defending such an action, and the prospect, according to them, that if CIMA is going to defend its actions, they might have to seek funds from the government in order to fight these cases, and therefore CIMA took the view that, well, it could potentially affect their independence as well if they had to depend on government for funding.

Wrongly or rightly, that was their view, Mr. Speaker, and the Government's position is to try and find a way to work with the directors to ensure that CIMA remains a very credible regulator. Of course, we live in a litigious climate and litigious society so their concerns, at least about being sued, were not unfounded; but the real question was whether the Public Authorities Law actually exposes CIMA, its directors and employees, to these kinds of catastrophic claims or potential personal impact that they complain about.

Mr. Speaker, if you look at section 23(1) of the Public Authorities Law, it says: **"Subject to subsection (2), neither a board nor any board member shall be liable in damages for anything done or omitted in the discharge of their respective functions or duties unless it is shown that the act or omission was negligent or in bad faith."** The word 'negligent' is a recent introduction. However, Mr. Speaker, instructively, section 23(2) of the said Public Authorities Law goes on to say, **"Notwithstanding subsection (1)"**, which is the provision that deals with negligence and bad faith, **"where the function or duty exercised** (by the regulatory authority) **is a regulatory one, the provision relating to negligence shall not apply."**

What the law tried to do, certainly in CIMA's case, was to say that where it can be demonstrated that what they were doing was part of their regulatory function, then the— Sorry?

[Inaudible interjection]

The Attorney General, Hon. Samuel Bulgin: Notwithstanding the introduction of the tort of negligence, Mr. Speaker, or the cause of action for negligence, where it can be demonstrated that what the public authority was doing was carrying out a regulatory function, then that provision would be disapplied, so the board members could not be sued for negligence. That is in respect of the board members.

For what it is worth, Mr. Speaker, I think we also need to look at section 54 of the Public Authorities Law, because it says "**54(1) An employee of a public authority shall not be liable in damages for anything done or omitted in the discharge of that employee's functions or duties unless it is shown that the act or omission was negligent or in bad faith"—** so we also introduced the tort of negligence as it relates to the employees of these public authorities as well. However, instructively again, in respect of the employees, section 54(2) of the Public Authorities Law seeks to disapply the tort of negligence where it can be shown that they were doing regulatory functions. Hence, section "54(2) says, **"notwithstanding subsection (1), where the function or duty exercised is a regulatory one,** (by the employee), **the provision relating to negligence shall not apply"**; so, you cannot be sued for negligence.

For example, say the Monetary Authority has a driver who drives the Monetary Authority truck to pick up money from somewhere and was speeding and heading back to the Monetary Authority and, God forbid, hit someone, or collided with somebody's vehicle. The owner of that vehicle should be able to sue the CIMA employee who was driving the vehicle and collided with them. Though they were doing so in furtherance of their duty, it would not have been a regulatory function, so the employee could be sued for negligence in those circumstances. Same thing if a hospital driver is speeding while driving the ambulance to go somewhere to collect someone and runs the red light and it can be shown that they were negligent. They can be sued for negligence for those kinds of things.

This is what this negligence provision is now introducing; however, where a CIMA employee doing an on-site inspection on a bank found some weaknesses, et cetera, and decides to take some regulatory action and someone hears about it and starts a panic and people start storming the bank. They rush the bank and clean out the money — I am just using those kinds of colloquial expressions — neither CIMA's directors nor officers can be sued in negligence by the bank for the run on the bank, because CIMA would have been doing its regulatory function.

Mr. Speaker, what CIMA is saying is that even though section 23(3) [sic] says **where the function or duty exercised is a *regulatory one***, that language is not comprehensive enough to cover the scope, the burst, the breadth of activities they carry out as a regulator, and so they feel there is still an element of exposure for them in terms of the tort of negligence and if you look at the other functions in the Monetary Authority Law, it is true that they perform other functions as part of their regulatory remit.

If you look at section 6 of CIMA's Law, they carry out regulatory functions, monetary functions, cooperative functions — that is when they share information with other regulators across the world; [as

well as] advisory functions, whereby they advise the Government on matters set out in the law. Those other functions, CIMA says, are not properly covered by the language in section 23(2) and section 54(2) of the Public Authorities Law — *We do not feel that the language in those sections cover us sufficiently when we are carrying out monetary functions, advisory functions and cooperative functions — (sharing information with other regulators across the world. We need some more comfort.*

Mr. Speaker, we had discussions about that and even though on a purposive construction a Court might take the view that the words "regulatory one" in sections 23(2) and 54(2) are wide enough to cover those functions. We took the view that it might very well be that the Court might arrive at that view; however, for completeness and for the necessary comfort for CIMA, we agreed that the belts and braces approach would be to revisit the language in those two sections and make it quite clear that it was meant to cover the other functions carried out by CIMA, namely: monetary, advisory, and cooperative, in addition to the regulatory function, and we take the view that would and should provide CIMA with the requisite comfort.

A draft Bill has been done and there have been discussions between CIMA, the Ministry of Financial Services, and the Legislative Drafting Department. We are at a stage where the language has been agreed, so there will be an amending Bill coming shortly to address those concerns; but that is not the end of the matter, because there are other public authorities that have some concerns about the language in some of the provisions in the Public Authorities Law. I mentioned OfReg, for example. Now, OfReg's concerns are somewhat different. Their position is that there are provisions in the Public Authorities Law which conflict with provisions in the OfReg's regulatory law. Well, that was deliberate, Mr. Speaker, because the Government took the policy decision that, as section 4 of the Public Authorities Law says… if I might crave your indulgence.

"Section 4(1) The purpose of this Law is to provide uniform regulation of the management and governance of public authorities.". The government took the view that there must be consistency and uniformity across the board as it relates to the governance of public authorities, and so this law is the governing law, so to speak. Where there is any inconsistency between the two, the Public Authorities Law is the law to use. That, of necessity, means some of the provisions in some of the sectorial Public Authorities Law will have to be amended to bring it in line with this law.

Such is the position with OfReg for example. The provision in the OfReg law that speaks to the appointment of certain officers and directors contemplates that those would be done under that law. The Public Authorities Law is of the view that the Board of Directors must be appointed by Cabinet; the Public Authorities Law also sets the ratio of public servants and private persons on the board— of course, it also means that the OfReg law would have to be amended to reflect that new ratio.

There are other inconsistencies, but you will find that in some of the other public authorities' laws, so that was not unexpected. We are now having a look at where those conflicts are, and various laws will be amended to bring them in line with the Public Authorities Law; so the OfReg Law and others will be amended to reflect the Government's new approach to uniform governance by public authorities. That is how we got here, Mr. Speaker. CIMA is of the view that whilst all this is happening they would prefer to have some comfort, some belts and braces, by having a Deed of indemnity which would give the directors the necessary comfort that there is no sort of legal exposure for them by this new Public Authorities Law.

Where do we go from here? The Government is of the view that once section 23(2) is amended, it will provide the directors with further comfort against suit for negligence; and once section 54(2) is amended, it will provide the staff with the necessary comfort they are seeking. As far as the directors are concerned, the Deed of indemnity is a quick fix which would allow them to carry out their function in the meantime, until the law is amended and they have that additional legislative comfort, if I might put it that way.

I hope I clarified how we got here, Mr. Speaker.

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

Hon. Tara A. Rivers: Thank you Mr. Speaker.

Briefly, to thank the Member for Bodden Town West for his contributions, and acknowledge his queries, as proposed in his discussion; and the Attorney General, for his comprehensive response in dealing with the issues raised and the concerns regarding the legal position, as well as the concerns regarding the deed itself.

I will not attempt to summarise what was so ably said to try to explain how we got here and why we have taken the position we have taken. It certainly suffices with the explanation already provided and my introduction as to why we feel it is very important that we have this level of comfort in order to ensure a functioning regulatory authority.

In the interim, I am asking Members of this House to support the Deed of Indemnity as put forward in the Government Motion.

The Speaker: The question is, **BE IT NOW THEREFORE RESOLVED**, that the Legislative Assembly hereby authorises the issuance to Members of the

Cayman Islands Monetary Authority Board of a Deed of Indemnity guarding against the potential liability of members of the Cayman Islands Monetary Authority Board. All those in favour please say Aye. Those against?

AYES.

The Speaker: The Ayes have it.

Agreed: Government Motion No. 6/2017-2018 passed.

Government Motion No. 7/2017-2018
Amendment to the Development Plan 1997 – Proposed rezoning Block 13E Parcel 175 (Formerly Block 13E Parcels 13 and 14) and Block 13EH Parcels 4, 166 and 174

The Speaker: Honourable Minister of Planning.

Hon. Joseph X Hew: Thank you, Mr. Speaker.

I beg to move Government Motion No. 7/ 2017-2018 pursuant to the amendment to the Development Plan 1997 which reads as follows:

Proposed Rezoning Block 13E Parcel 175 (formerly Block 13E, Parcel 13 & 14) and Block 13EH Parcels 4, 166 and 174.

WHEREAS on 15th March 2017-(CPA/06/17, Item 3.1) the Central Planning Authority considered an application for the rezoning of Registration Section George Town Central Block 13E Parcel 14 & 15 (now Parcel 175) from General Commercial to Hotel / Tourism;

AND WHEREAS it was resolved to add Block 13EH Parcels 4, 166 and 174 to the proposed Hotel/Tourism rezone area, and to forward the rezone proposal for a 60-day public notification and consultation period, pursuant to Section 11(2) of the Development and Planning Law (2017 Revision);

AND WHEREAS the proposed amendment to the Development Plan was duly advertised in the Cayman Compass on the 4th, 7th and 12th, April 2017 respectively, with the general public invited to view the application at the Planning Department for comment. During the comment period no letters of objection or representation were received;

AND WHEREAS on August 30th 2017-(CPA/17/17; Item 3.1) the Central Planning Authority again considered the proposed amendment to the Development Plan following the public review process, and it was resolved to forward the proposal to the Ministry of Commerce, Planning, and Infrastructure for onward transmission to the Legislative Assembly via the Cabinet.

AND WHEREAS on 23rd February 2018 Cabinet duly authorized that the rezoning proposal for Block 13E Parcel 14 & 15 (now Parcel 175) and Block 13EH Parcels 4, 166 and 174 be referred on to the Legislative Assembly for consideration;

BE IT NOW THEREFORE RESOLVED THAT in accordance in Section 10(2)(b) of the Development and Planning Law (2017 Revision), the Central Planning Authority hereby recommends and submits to the Legislative Assembly the following proposal for alteration to the Development Plan 1997, a summary and map of which are attached hereto;

AND BE IT FURTHER RESOLVED THAT Registration Section George Town Central Block 13E Parcel 175 (formerly Block 13E Parcels 14 & 15) and Block 13EH Parcels 4, 166 and 174 be rezoned from General Commercial to Hotel / Tourism.

The Speaker: The question is, **BE IT NOW THEREFORE RESOLVED** that in accordance with section 10(2)(b) of the Development and Planning Law 2017 revision, the Central Planning Authority hereby recommends and submits to the Legislative Assembly the following proposal for alterations to the Development Plan 1997, a summary and map of which are attached hereto; and

BE IT FURTHER RESOLVED that registration section George Town Central Block 13E, Parcel 175 (formerly Block 13E Parcels 14 and 15) and Block 13EH Parcels 4, 166, and 174 be rezoned from General Commercial to Hotel Tourism.

Honourable Minister.

Hon. Joseph X. Hew: Thank you, Mr. Speaker.

Mr. Speaker, to add a brief background for the Members.

Block 13E Parcel 175 is located on North Church Street adjoining the public cemetery to the North. Members of this honourable House would be aware that the site was the former location of the Tree House restaurant. Members will also be aware that Block 13EH Parcel 166 is the site of the Coral Sands Resort [while] Parcel 174 is an old house currently used for a water sports operation and Parcel 4 is vacant.

Mr. Speaker the Central Planning Authority received a request to consider an amendment to the 1997 Development Plan for a change from General/Commercial to Hotel/Tourism on December 19th, 2016. The procedural background of the rezone application can be summarised as follows: The original application processed to rezone Block 13E Parcels 14

and 15 (now 175) from General/Commercial, to Hotel/Tourism.

On March 15th, 2017, the Central Planning Authority considered the application and resolved to include Block 13EH Parcels 4, 166, and 174 with the proposed rezone area; and to forward the proposal for the required 60-day notice and advertising period per section 11(2) of the Development Planning Law. The notice period commenced on April 12th 2017 and concluded on June 12th 2017, during which time no letters of objection were received by the Department of Planning.

Following the notice period, the Authority again considered the proposed amendment on July 19th 2017, and it was resolved not to move forward as all parcels involved were already developed or had recently received planning permission for development. The applicant for the proposed amendments requested to appear before the Authority to discuss the decision to not proceed with the application. The Authority obliged this request and considered the matter again on August 30th, 2017. At the meeting on August 30th 2017, the Authority reversed the previous decision of July 19th 2017, and resolved to forward the proposed amendments of the development plan to the Ministry of Commerce, Planning and Infrastructure for onward transmission to the Legislative Assembly for review and consideration.

Mr. Speaker, in resolving to forward the proposed amendments to this honourable House, the Central Planning Authority recognised that the introduction of additional Hotel/Tourism zone lands in this area would benefit the Island's economy by offering more opportunities to strengthen Cayman's world-renowned tourism product.

Mr. Speaker, I feel it would be remiss of me not to provide this honourable House with information on this proposed development. This new hotel would be a catalyst in the revitalisation for George Town. Wellness tourism is a rapidly growing travel niche that is expected to hit $680 billion in 2017. It is expanding 50 per cent faster than the overall tourism industry. Travellers take 586 million wellness trips each year—in fact, the wellness tourism niche encompasses 15 per cent of global travel; that is second only to cultural tourism. It is also lucrative, as wellness travellers spend 130 per cent more than average travellers.

This hotel is introducing a whole new tourism market to the Cayman Islands and will assist in positioning Grand Cayman as a top destination for the millions of wellness travellers seeking an experience such as this, allowing owners to capitalise on a billion-dollar industry. The hotel will be branded with a well-established and internationally renowned luxury hotel hospitality brand. It will be efficiently operated by an experienced team who has successfully operated and managed major hotels in the Cayman Islands and across the world; a management team that has a proven track record of consistently and successfully increasing hotel growth and revenue.

Mr. Speaker, I am pleased to say that on the 23rd of February 2018, Cabinet resolved to refer the Planning Authority's proposed amendments to the 1997 Development Plan to the Legislative Assembly for consideration. Additional information supplied in support of this amendment request is as follows:

- Written summary of the rezoning application;
- Maps illustrating the location of the proposed rezone.

Mr. Speaker in closing, I ask for support of this honourable House to approve registration section George Town Central, Block 13E parcels 175, formerly parcels 14 and 15, and Block 13EH parcels 4, 166 and 174, as presently zoned General/Commercial, be rezoned to Hotel/Tourism.

Thank you, Mr. Speaker.

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

[Inaudible interjection]

The Speaker: The Member for George Town Central.

Mr. Kenneth V. Bryan: Thank you, Mr. Speaker.

Only to add that I think it is a matter of clarity that the listening and viewing audience understand that when the Minister speaks of George Town Central, it is from a mapping perspective I am assuming based on planning and zones; not from an electoral perspective.

Rather, the zone actually falls in the electoral district of George Town North. Not that it matters so much, as I do support this development in every capacity, Mr. Speaker. In my view, the developers involved are good outstanding Caymanians who I believe will bring tremendous value to this country, and I wish them all the success necessary.

The Speaker: The Member for Newlands.

Mr. Alva H. Suckoo, Deputy Leader of the Opposition: Thank you Mr. Speaker.

I will be brief as well. I have a few observations with regard to the Motion which hopefully can be taken as constructive because I, too, support this sort of development, especially with regard to tourism. I do, however, have a few questions and maybe when the Minister winds up, he can address them.

I followed the synopsis the Minister gave on how we arrived at this point, Mr. Speaker, but something that I question is that when the developers first

gave notice they were intending to apply for a rezoning of the properties, I know there is no requirement to have the plans drafted for the proposed development and so forth but would any indication have been given at the time of what the intent of the rezoning was? What sort of development would go there, how many storeys, et cetera, because I notice that later on in their discussions with the Planning Board they actually indicated a change to their proposed plans, whereby I think they were planning to go a number of storeys-high?

I do not know whether this would have been communicated when the notices were sent out, Mr. Speaker, but in my mind, it would be prudent to re-advertise, and at least go through that two-month period again just for transparency sake, to ensure that any interested or affected parties would have had full disclosure. I know there is no requirement in the law for it to be re-advertised; however, because as far as I understood from what the Minister provided us with, there were already developments on some of the properties and plans submitted, individuals who may have been affected by this would have already been under the impression of, you know, *this is what is going to be developed here,* and with the developers' change of heart, I think there would be scope for confusion, so Mr. Speaker, I wonder whether or not any consideration has been given to re-advertising.

I note, for example, that you cannot apply for a work permit based on ads which are, I think, three months old or more. For a development of this magnitude, I would think it would be prudent to repeat that phase at the very least, because it is almost a year later. I also would like to hear whether—

What we are doing is amending the Development Plan, Mr. Speaker. We are doing it sort of on a one-off basis, not really based on a wholesale range of changes that were supported by research and so forth, and I notice the plan does take into consideration population trends, land availability, ecology, fresh water supply, sewage, and all those sorts of things. One strategy of the plan that stands out in my mind as I read through it is the fact that the strategy has to take into consideration how to minimise road traffic and congestion. I also note, Mr. Speaker, that part of the island is obviously heavily traversed and there is a high concentration of homes, businesses, et cetera. I am concerned that when we amend this development plan, we are not doing it in a way that is counter to the objectives of the original plan.

I know we are way down the road now in terms of needing to do a wholesale revision of this plan. I am a bit nervous about approving things in this way, you know, however, I am not one to stand in the way of development, especially developments done by Caymanians which are good for these islands. I wonder if the Minister could address it when he winds up.

I am trying to be constructive, Mr. Speaker, because I would not want controversy to follow this approval later on. We know it is par for the course when it comes to major developments, so I think the more questions we can clear up now, the better. Hopefully the Minister can address these brief observations when he winds up, and that they are taken not just as criticism, but as constructive criticism.

Thank you, Mr. Speaker.

The Speaker: Any other Member? *[Pause]*

The Honourable Minister.

Hon. Joseph X. Hew: Thank you Mr. Speaker.

Mr. Speaker, let me thank the two Members who offered their support and constructive points and give a little more background on the difference between General/Commercial and Hotel/Tourism:

- Hotel Tourism allows residential on the first floor, so it makes the development a little bit more flexible;
- In General/Commercial there is a maximum of 70 per cent of residential allowed in the entire development;
- Hotel/Commercial will give more flexibility for the developer, as commercial uses are also allowed in the zone at the CPA's discretion, so there will be retail shops as well, mixed in with the development;
- Hotel/Tourism gives the developer more clarity on the allowable rooms per acre, whereas General/Commercial is at the CPA's discretion; and
- Both have storey limits on them.

Therefore, to the Member for Newlands, any changes they plan to make to the original plans— and you are right, they already had Planning approval on the project when they put in for the rezoning; but for any changes that they make going forward, they will have to apply for modification and go through that process as well.

As far as the traffic congestion is concerned, again, in an effort to help revitalise George Town, I think this is a bit of a medium density project as far as hotels are concerned. It is geared towards wellness, and those folks tend to prefer electric vehicles versus regular vehicles. The majority of them will stay on the property because they will have the farm-to-table food, the treatments, et cetera that they do at wellness resorts.

We will be taking it into consideration, of course. In fact, we spent quite a bit of time during the last National Roads Authority (NRA) Board meeting talking about all the developments which are happening in that area, including the Pageant Beach site and how they are going to affect the flow of traffic. These are some of the reasons that roads like the Godfrey

Nixon extension into George Town are priorities of the Government — we are taking those into consideration. I thank the Member for his points, and thank the House for its support.

Thank you.

The Speaker: The question is, **BE IT NOW THEREFORE RESOLVED** that in accordance with section 10(2)(b) of the Development and Planning Law (2017 Revision), the Central Planning Authority hereby recommends and submits to the Legislative Assembly the following proposal for alterations to the Development Plan 1997, a summary and map of which are attached hereto; and

BE IT FURTHER RESOLVED that registration section George Town Central Block 13E, Parcel 175 (formerly Block 13E Parcels 14 and 15) and Block 13 EH Parcels 4, 166, and 174 be rezoned from General/Commercial to Hotel/Tourism. All those in favour please say Aye. Those against, No.

AYES.

The Speaker: The Ayes have it.

Agreed: Government Motion No. 7/2017-2018 passed.

Government Motion No. 8/2017-2018
Issuance of a Deed of Indemnity to the Members of the Board of Directors of the Liquor Licencing Board

The Speaker: The Honourable Minister.

Hon. Joseph X. Hew: Mr. Speaker, I beg to move Government Motion No. 8/2017-2018 pursuant to the Public Management and Finance Law (2017 Revision) which reads as follows:

Issuance of a Deed of Indemnity to the members of the Board of Directors of the Liquor Licencing Board.

WHEREAS the Government of the Cayman Islands (the "Government") is desirous of issuing a Deed of Indemnity to the Members of the Liquor Licensing Board (as per the attached Deeds of Indemnity);

AND WHEREAS the Government recognises that Competent and experienced persons are increasingly reluctant to serve as Directors of corporations or Members of boards unless they are protected by comprehensive liability insurance or indemnification due to the increased exposure to litigation costs and risk resulting from the reasonable expectation of their roles and responsibilities;

AND WHEREAS Section 8 of the Public Management and Finance Law (2017 Revision) provides that, as a general rule, no guarantee may be given by or on behalf of the Government unless it has been authorised by a resolution of the Legislative Assembly;

BE IT NOW THEREFORE RESOLVED that the Legislative Assembly hereby authorises the issuance, to Members of the Board of Directors of the Liquor Licensing Board (for both the Sister Islands and Grand Cayman), of Deeds of Indemnity guarding against the potential liability of Members of the Board of Directors of the Liquor Licensing Board.

The Speaker: The question is: **BE IT NOW THEREFORE RESOLVED** that the Legislative Assembly hereby authorises the issuance to members of the Boards of Directors of the Liquor Licencing Board for both the Sister Islands and Grand Cayman of Deeds of Indemnity guarding against the potential liability of Members of the board of directors on the Liquor Licencing Board.

Is the Minister wishing to speak to it?

Hon. Joseph X. Hew: Thank you, Mr. Speaker.

Mr. Speaker, very similar to the Motion moved earlier, the Ministry of Commerce, Planning and Infrastructure has found that competent and experienced persons are increasingly reluctant to serve as directors of corporations or members of the board, unless they are protected by comprehensive liability insurance or indemnification due to the increased exposure to litigation costs and risks resulting from the reasonable expectation of their roles and responsibilities. The Ministry is therefore desirous of issuing a Deed of Indemnity to the members of the Liquor Licencing Board.

Mr. Speaker, as required by section 8 of the Public Management and Finance Law (2017 Revision), a Resolution must be obtained from the Legislative Assembly to grant approval to the Deed of Indemnity. The Deed of Indemnity and the Government Motion, Mr. Speaker, were drafted by the Ministry in consultation with the Legal Department, which approved the document as shown in Appendix A, and the Deed of Indemnity has been extended to civil servants per precedent.

Mr. Speaker in closing, I ask for the support of this honourable House to approve the issuance to members of the board of directors of the Liquor Licencing Board for both the Sister Islands and Grand Cayman, of a Deed of Indemnity guarding against the potential liability of members.

Thank you, Mr. Speaker.

The Speaker: Does any other Member wish to speak? Member for Bodden Town West.

Mr. Christopher S. Saunders: Thank you Mr. Speaker.

My remarks will be brief, only to remind this honourable House, having sat on the Business Staffing Plan Board, I recognise the liability that exists for members who serve on these boards, as we had similar concerns. I am happy to see that at least members of some boards are being protected, but I want to put it out there, Mr. Speaker, that there are Directors on other boards who remain exposed and have risks. I would ask the Government to ensure that they bring the requisite legislation so that directors on other Boards are protected.

Just a note on this one, Mr. Speaker: I noticed that the membership on this board includes other government civil servants such as the representatives from Planning and the Department of Environmental Health (DEH). Now, just bear with me a little. I think it said either they or their designate; in this situation, would we be giving coverage to the individual, or is it intended for whoever they designate? I think that is one thing to clear up.

Outside of that, Mr. Speaker, I just want to —

[Inaudible interjection]

Mr. Christopher S. Saunders: — Remind the House to ensure that we look to protect all Directors that serve on all Government Boards because, again, they are providing a good service to the country.

Thank you, Mr. Speaker.

[Pause]

The Speaker: The Honourable Attorney General.

The Attorney General, Hon. Samuel Bulgin: Mr. Speaker, I think they understand what is being said. The point there is that it is actually signed by the director himself, right.

I think in the usual spirit, Mr. Speaker, even if it is his designate who is accused, for want of a better word, of acting negligently or otherwise, unless it can be shown that such person (the designate) was acting in bad faith, it would be the Government's responsibility to absolve them from any legal exposure in those circumstances, so it would work out the same way.

[Inaudible interjection]

The Speaker: So the substantive post holder would be named here, but their designate at any point would be covered by the Government.

The Attorney General, Hon. Samuel Bulgin: They would enjoy the same benefit.

The Speaker: Yes.

The Attorney General, Hon. Samuel Bulgin: Because the Government would have to, as a matter of obligation.

The Speaker: That was my understanding.

Honourable Premier.

The Premier, Hon. Alden McLaughlin: Mr. Speaker, just because I know there will be concerns. We have had very bad conduct in particular, from a former member of the Liquor Licencing Board, Mr. Woody DaCosta —

[Crosstalk and laughter]

The Premier, Hon. Alden McLaughlin: Who was the Acting Chairman of the Board who, among other things, appears to have fabricated Minutes and, it seems, manufactured a meeting which did not occur to achieve a particular result. Absolutely terrible behaviour, Mr. Speaker. The Cabinet moved as it needed to and terminated his appointment.

Mr. Speaker, in those particular circumstances, this indemnity would not cover that sort of behaviour. I want to make it clear because I do not want anyone who is appointed now or may be appointed subsequently, or the broader public, to believe that this indemnity is in any way trying to cover for that type of egregious behaviour.

[Crosstalk]

The Premier, Hon. Alden McLaughlin: Mr. Speaker, it is one thing to get on a talk show as a host and claim to be a person of integrity, and attack the government and individual Members of the Government— anyone is entitled to do that; but Mr. Speaker, when are given a role such as the Deputy Chairman of the Liquor Licencing Board, and you behave in such a way, you cannot expect to continue in that role nor can you expect the Government to speak up on your behalf. The Government I lead will not — will not— Mr. Speaker, allow such conduct to go on without there being serious consequences and as I said, an indemnity like this will not cover that because those actions were taken in bad faith.

If it has never been said before, Mr. Speaker, the public needs to understand why Mr. Woody DaCosta is no longer the Acting Chairman or Deputy Chairman of the Liquor Licencing Board. I hope that he explains the situation, as I know he is very able to do, when he gets on the talk show on Monday morning.

[Inaudible Interjections]

The Speaker: The Member for East End.

Mr. V. Arden McLean: Thank you, Mr. Speaker. Mr. Speaker, I —

[Pause and laughter]

Mr. V. Arden McLean: Mr. Speaker, I am re-living 2002-2005. You are back.

[Laughter]

Mr. V. Arden McLean: He knows what I meant by that. He asked me to say he also took him off the Port Authority Board, you know?

[Laughter]

Mr. V. Arden McLean: Mr. Speaker, on a matter of elucidation, can the Premier tell us the other boards Mr. DaCosta was on?

The Speaker: Do you need elucidation for something that was obvious?

[Laughter]

Mr. V. Arden McLean: Well, I can say it; it was the Port Authority Board. I had a little song for the Premier as well. *I can see clearly now that Wayne is gone.*

[Laughter]

Mr. V. Arden McLean: Mr. Speaker, I do not have much problem with it other than if we are saying that the designate of the substantive post holder… My concern is that there are two Deeds here, and I do not know which is which because each one names separate people. One starts with Mr. Noel Williams and the other one starts with Mr. Nathaniel Tibbetts, Sr.

[Inaudible interjection]

Mr. V. Arden McLean: That is Cayman Brac, but Roydell Carter is on both. He cannot be; are we sending him to Cayman Brac for every meeting, or would his designate be there? Mr. Speaker, that needs to be cleared up.

The Speaker: Obviously the Minister will clear up matters when he rises. If no one else wishes to speak, I will call on the Honourable Minister—

The Attorney General, Hon. Samuel Bulgin: Mr. Speaker.

The Speaker: The Honourable Attorney General.

The Attorney General, Hon. Samuel Bulgin: Just a matter of clarification.

The point I was making is, where the person is a civil servant even though he has a Deed of Indemnity, I do not know whether it is necessary or not; that is another issue, but if you look at the Public Service Management Law, it says that civil servants are immune from liability as long as they are carrying out their job unless it can be shown that the act or omission was done in bad faith.

[Inaudible interjection]

The Attorney General, Hon. Samuel Bulgin: We are all talking about comfort here. People somehow like to see things in black and white. You need good people on the board if they are going to make an issue of it; that is what happened there. Once they are civil servants and they are appointed to these boards by virtue of their office, Mr. Speaker—

[Inaudible interjection]

Mr. V. Arden Mclean: The rumours of his demise were exaggerated.

Hon. Samuel Bulgin, Attorney General: I think that is out of the discussion.

The Speaker: The Honourable Minister.

Hon. Joseph X. Hew: Mr. Speaker, just to thank the Members for their points, and to say that this is bringing the Liquor Licence Board in line with the other boards that we have within the Department, namely the Trade and Business Licence Board and the Special Economic Zones Authority Board, which both have indemnities.

Also, to say that the negative publicity that came out of Mr. DaCosta's actions, which the Premier spoke about earlier, made it next to impossible to find a Chairman and a Deputy Chairman to serve on the Board during that time. We were very fortunate to get a very, very capable Chairman and Deputy Chairman to serve, and they would feel more comfortable with this indemnity, so I thank the Members, as I had given them the promise that I would bring it to the House.

Also, Mr. Speaker, this may help with the concerns about the civil servants on the board. Under 1.1, the interpretation for an indemnified person means *"an indemnified person, and that person's successors, heirs, executors, administrators, and personal representatives."* [UNVERIFIED] I think that is a pretty broad description of the indemnified person, and it certainly clarifies the position for us.

Not to drag it on any longer, Mr. Speaker, thank you; and thank you to the Members for their support.

The Speaker: The question is: **BE IT NOW THEREFORE RESOLVED** that the Legislative Assembly

hereby authorises the issuance to members of the boards of directors of the Liquor Licencing Board for both the Sister Islands and Grand Cayman, of Deeds of Indemnity guarding against the potential liability of Members of the board of directors of the Liquor Licencing Board. All those in favour say Aye. Those against, no.

AYES.

The Speaker: The Ayes have it.

Agreed: Government Motion No. 8 passed.

Government Motion No. 9/2017-2018
The Immigration
(Grant of Right to be Caymanian)
Order (No. 4), 2017

The Speaker: The Honourable Premier.

The Premier, Hon. Alden McLaughlin - Minister of Human Resources, Immigration and Community Affairs: Thank you, Mr. Speaker.

Mr. Speaker, I beg to move Government Motion No. 9 of the 2017/2018 session of the Legislative Assembly of the Cayman Islands entitled The Immigration (Grant of Right to be Caymanian) Order (No. 4), 2017, which provides:

WHEREAS Section 20(1) (e) of the Immigration Law (2015 Revision) provides that the Cabinet acting upon the recommendation of the Caymanian Status and Permanent Residency Board may grant the right to be Caymanian in accordance with this section;

AND WHEREAS the said Section 20(1)(e) provides that such grant be ratified by the Legislative Assembly;

AND WHEREAS the Immigration (Grant of the Right to be Caymanian) Order (No. 4), 2017 was laid on the Table of the Legislative Assembly this past Wednesday;

BE IT THEREFORE RESOLVED THAT the Immigration (Grant of the Right to be Caymanian) Order (No. 4), 2017 be affirmed by the Legislative Assembly pursuant to the provisions of Section 20(1)(e) of the Immigration Law (2015 Revision).

The Speaker: The question is: **BE IT THEREFORE RESOLVED** that the Immigration (Grant of Right to be Caymanian) Order (No. 4), 2017 be affirmed by the Legislative Assembly pursuant to the provisions of Section 20(1)(e) of the Immigration Law (2015 Revision).

The Honourable Premier.

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

Mr. Speaker, this Motion relates to the grant by Cabinet of the Right to be Caymanian with respect to Mr. David Morritt on the 21st November, 2017...

Mr. Speaker, I crave your indulgence. I thought I had my speaking notes here, but I do not seem to have them in the right place.

[Pause]

The Speaker: We will take a brief suspension for ten minutes. Ten minutes and we'll be back.

Proceedings suspended at 6:36p.m.

Proceedings resumed at 6:43p.m.

The Speaker: Proceedings are resumed, please be seated. The Honourable Premier continuing.

The Premier, Hon. Alden McLaughlin: Thank you, Mr. Speaker, for that indulgence. I apologise for not being able to locate my notes. I am grateful to Counsellor Conolly for having assisted.

Mr. Speaker, in February 2015, an application was made to the Caymanian Status and Permanent Residency Board for the Right to be Caymanian for Mr. David Morritt; however, in October that year, the Board deferred Mr. Morritt's application and made a recommendation to Cabinet for the Grant of the Right to be Caymanian. In November 2017, Cabinet approved the recommendation for Mr. Morritt to be granted the Right to be Caymanian, and requested the decision to be sent to the Legislative Assembly for ratification.

Mr. Speaker, I will now outline the reasons why the Caymanian Status and Permanent Residency Board and Cabinet were convinced that Mr. Morritt deserves the highest status that we grant non-nationals, namely, the Right to be Caymanian.

David Morritt is a 71-year old British National who has spent most of his time in the Cayman Islands since 1988. He considers the Islands to be his home and pays them homage for bringing his dreams and aspirations to fruition. Mr. Morritt has fully integrated into the community, and is highly respected and regarded for his significant local investments and ongoing contributions of around $15,000 to $20,000 each year for various local charities and causes. Since arriving in the Cayman Islands in 1988, he has made substantial investments in the eastern district of Grand Cayman. In 1988, he purchased what was then Tortuga Club; he later developed Morritt's Tortuga Club followed by Morritt's Grand and in 2014, a 20-unit luxury section of the property called The Londoner.

The resort has received distinguished awards and accolades including the prestigious Gold Crown Resort, and the Silver Crown Resort Property designation by RCI, the world-wide leader in vacation exchange— the former, with respect to Morritt's Grand Resort, and the latter with respect to Morritt's Tortuga

Club. His operations were also awarded the Best Resort in the Caribbean and Latin America. These awards not only enhance the resorts' own reputation, but also Cayman's tourism product as well.

Moreover, Mr. Speaker, Mr. Morritt has contributed to the livelihood of Caymanians with employment opportunities, as over 80 per cent of the resort's staff are Caymanians and notably, provided the opportunity that allowed a young Caymanian business owner to establish his own business at the Morritt's resort.

Mr. Speaker, Mr. Morritt spends the majority of his time in the Cayman Islands and continues to have aspirations of additional growth and expansion for the resort. He has remained robust about the Islands and demonstrated outstanding contributions in the aftermath of Hurricane Ivan, which significantly assisted the Caymanian people and the revitalisation of the economy during that difficult time. Notably, he provided food and supplies to the two East End shelters, and free water to residents throughout East End by filling tankers with water from the resort in the aftermath of the hurricane.

Despite this, Mr. speaker, and in spite of his many contributions and the active role in investing and developing in the Cayman Islands for over 25 years, he has never acquired status and has remained here as a visitor as he had previously not been advised on the matter. As a result, he was not in a position to move forward in acquiring Caymanian Status through traditional means because he never had the requisite period of residence the law requires in order to apply. His time here all these years has been as a visitor.

Mr. Speaker, his long-standing interest in the Cayman Islands, matched with his long-term business strategies, including expansions and continued development of the property, demonstrate his steadfast commitment and positive contribution to both the tourism sector and the economic sustainability of these Islands.

It is for those reasons, Mr. Speaker, that the Caymanian Status and Permanent Residence Board recommended to Cabinet that his application for the Right to be Caymanian by way of Cabinet Grant should be considered. Furthermore, Mr. Speaker, the Cabinet has supported the recommendation of the Board, as we recognise Mr. Morritt's significant contributions to the tourism industry, the advancement of the Eastern Districts, and additional plans for their development.

There is no doubt that Mr. Morritt's tourism product has brought positive international exposure to the Cayman Islands and that he is, therefore, a person deserving of consideration of being granted the Right to be Caymanian in accordance with the provisions of the Immigration Law.

Mr. Speaker, the Law in the relevant section requires that the application first be made to the Board and that the Board, if it so considers, should recommend to the Cabinet the award of the Grant of the Right to be Caymanian. The law further requires that following the Grant by Cabinet the Order be brought to this honourable House and that on Motion, the House by Resolution affirm the decision of the Cabinet.

Mr. Speaker, that is the process we are going through now, and I commend the Motion to all Members of this honourable House.

I note, Mr. Speaker, that during the last Meeting of the House, when three other worthy individuals who had been conferred the Right to be Caymanian had their matters brought before the House, and the House voted unanimously in support, the Member for East End urged that we deal with this as a matter of urgency. We so did, Mr. Speaker, and we are grateful to him for his support.

The Speaker: Does any other Member wish to speak? The Member from East End.

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

Mr. Speaker, I think the country knows my position on Caymanian Status and what I believe needs to happen moving forward— that it should only be awarded to people by descent and marriage. I think the country knows that quite well, but we are where we are; time moves on, and right now the situation is that it can be granted by Cabinet to worthy individuals.

Mr. Speaker, my relationship with Mr. Morritt has been on and off. Sometimes we have a beer, sometimes we don't break bread, but it is undeniable that this man has contributed significantly to this country, and in particular, he has been invaluable to the employment situation in East End so much so that right now, a third-generation hotelier, the grandson of Frank Connolly, is the General Manager at Tortuga Club. I believe Tortuga Club has, over the years, had more Caymanians as general managers than any hotel in this country. Let us not forget, that is from the Bergstrom's time as well. They had more ambassadors, Ms. Cleo, and then Uncle Frank Connolly as Ambassador, and he's 91, and his grandson is the General Manager.

Mr. Speaker, I was unaware that Mr. Morritt wanted to be a Caymanian until I understood that, maybe because of the challenges that he and I had, I might have been opposing it— no such thing. I didn't know, because if there are others who are worthy, he is definitely worthy of being called Caymanian. I can have differences with people, but I can be fair.

Unfortunately, somehow this got out to him, and I believe it might have been because it was put on the Immigration list, so when he last came in in December, he found out at the airport that he had been granted Caymanian Status by the Cabinet but it had to be ratified here, which we are doing now. I have received one million calls from him and I just can't get him off the phone. That is how excited he is about becoming Caymanian.

He has promised me one million times since December to expand the property, and he is going to be around for the next ninety years, and we are going to do great things in East End still; so I look forward to the expansion of that facility. He has developed the largest timeshare in this country; the largest timeshare institution with 98 per cent occupancy year-round. He has contributed significantly, like the Premier said, to the social wellbeing of that district— food for socials for the older person's month and every Tuesday and what have you. He has hired people into his institution that would otherwise not be worthy of being hired.

He has had his challenges. I have been one of those challenges that Mr. Morritt has had in this country, because when he brought his son-in-law, I told him that his son-in-law was a cowboy and he was not worthy of being at Tortuga Club; so much so that I even visited Cabinet with the matter because he was issued one of those visitors to work permit. I visited the Governor on it, trying to reverse it, nothing happened.

Mr. Speaker, I guess the year later, I was in a social setting and I saw a strange number on my phone and when I answered, it was Mr. Morritt calling from somewhere in Europe and he said, *"Mr. McLean, I had to call you."* I said *"Why? What did I do now?"* He said, *"You were right; my son-in-law was a cowboy and he was going to destroy my relationship in East End and I fired him today."* I thanked him for that. The Club then moved on to another expat/Caymanian, and now it has moved on to Frank Connolly's grandson.

Mr. Speaker, the hotel/timeshare/condo or whatever we want to call it, is one of the most successful institutions in this country. He has vacant property next door that he hopes to expand on, which is the promise that he made to me. I hope that becomes a reality. I have always promoted one more hotel in East End, but I wanted a five-star hotel. I do not know what his plans are, but certainly we will see.

Mr. Speaker the Premier is right. I brought it to his attention during October, I think, when we were here with the other three; but I also brought to his attention that one of those on whom Status was conferred by Cabinet in October was one of our "Ghost Caymanians", and I urged him to let us blanket that, and just give these people their Status.

[Inaudible interjection]

Mr. V. Arden McLean: Well, he said changes are coming. For the Immigration Law, you mean, because you can only do four. You cannot do four anymore. Okay, because as important as it is to recognise people like Mr. Morritt, it is also important to recognise our *Ghost*— you know, I am not going to call them that because it was [David] Legge who called them that, and I do not want anything to do with him.

I want to call them Caymanians *who have not been recognised*; who have lived here all their lives, grew up with us, grew up with our children and they have fallen through the cracks, and we need to pull them out to make them feel like they are a part of this country like the rest. They bucked out their toenails here, they went to school here, and those are the ones we need to look at also.

The Premier is saying now, in response to me, that at the next Meeting we will have something to correct that. I hope it is put in, even with a Sunset Clause for a few years, so that they can all apply to regularise themselves without it being so difficult. All they need to do is prove they have been here for all those years.

Mr. Speaker, I thank the Cabinet for acting on Mr. Morritt's behalf, albeit it was laying somewhere there and did not move for a while but, be that as it may, I think it is a good day for David Morritt to know that he is Caymanian now. There are others who I am not going to rub shoulders with; I do not think I will probably ever rub shoulders with Mr. Morritt, but he is deserving of it and I thank Cabinet for doing that— Cabinet, I noted, not the Premier.

Mr. Speaker, with those few words, on behalf of the people of East End and Mr. Morritt and his family, I thank the Premier and the Cabinet for conferring such a privilege, such an honour upon a man who has contributed to this country greatly. Of course, he made his money too; that is what business is about, but it lifted our country in the tourism sector worldwide. It is my understanding that he is now building a hotel in Canada someplace, so he is spreading Cayman that much further.

Thank you, Mr. Speaker.

The Speaker: Does any other Member wish to speak? [Pause] Does any other Member wish to speak? The Honourable Premier.

The Premier, Hon. Alden McLaughlin: Mr. Speaker just to thank—

The Speaker: The Member for George Town Central.

Mr. Kenneth V. Bryan: Thank you, Mr. Speaker.

I need to move a little faster. I apologise. I only want to add my support in respect of Mr. Morritt being granted status. I am not as familiar with him as the Elected Member for East End, but as an Elected Member of this House, once this kind of Motion comes to this House, I think it is a responsibility of mine to do a background check in respect to the individual. Though I knew about him, and I think most Caymanians know about him, I still did my due diligence asking persons around who have been affected by him in different ways some of which have already been discussed tonight, namely, working opportunities.

I just want to express that when I knew I was confident in saying that I would support this was when a 47-year old lady from East End said, *"Kenneth,*

without that hotel and without him, I would not be able to feed my family." That is what the Cayman Status Grant should really be about— protecting and looking out for each other in the core essence of it.

This is by no means to undermine the granting of Status to anyone, but to always remind those who are being granted the Right of Status, though he has expressed it already by so many donations, but you are now a part of the family and all the good things that you have done for many years, you did with your own good will. Now that you are a part of the family, you are almost obligated to do so, in my mind, because we are all in this boat together. Congratulations to him and his family, and I am happy to say that he is now a part of my family.

The Speaker: The Honourable Premier—

The Premier, Hon. Alden McLaughlin: Mr. Speaker, just to thank all Members of the House, those who have spoken and those who have not, for their support, expressed or tacit, and to say that I join in welcoming Mr. Morritt to the Caymanian family.

I know him well enough to know he will be incredibly proud to call himself Caymanian.

The Speaker: The question is: **BE IT THEREFORE RESOLVED** that the Immigration (Grant of the right to be Caymanian) Order 2017 (No. 4) be affirmed by the Legislative Assembly pursuant to the provisions of Section 20(1)(e) of the Immigration Law (2015 Revision). All those in favour, please say Aye. Those against, No.

AYES.

Hon. D. Ezzard Miller: No.

The Speaker: The Ayes have it.

Agreed: Government Motion No. 9/2017-2018 is duly passed.

[Pause]

The Speaker: Premier, the Adjournment.

ADJOURNMENT

The Premier, Hon. Alden McLaughlin: Mr. Speaker, having consulted with the Leader of the Opposition, I just want to indicate to Members— and that is all it is, an indication— as to future Meetings during this year. I cannot give but indication at this early stage because Government, we try as best as we can to get work ready to bring here, and of course there are constitutional considerations with respect to notice for Bills and so forth, which is the greatest challenge of all but the current proposal is that we would be back here towards the end of May.

The last week in May is my current thinking, then again for many years, Members and staff have worried about vacation time, particularly when children are out of school so we are proposing to take the months of July and August off as far as the Legislative Assembly is concerned, so that Members can make their plans. We would be back here again in the first week of September and then back again, I would expect, the first week in November; and that would be roughly the schedule of Meetings for the rest of the year.

With that, Mr. Speaker, it is but for me to thank Members for agreeing to work late on all three evenings to complete the business of the House and for me now to move the adjournment of this honourable House sine die.

The Speaker: Honourable Members, bear in mind that on June 15th we host the Regional Commonwealth Parliamentary Conference here.

The question is —

Hon. D. Ezzard Miller: Mr. Speaker, in accordance with Standing Order 10(5), I would like to preserve the rest of the business on the Order Paper that was entered upon and approved by the Business Committee for the next Meeting.

I would like to move, in accordance with Standing Order 10(5), that the Business that was approved by the Business Committee and placed on the Order Paper, which was not dispensed with at this Meeting, be carried forward to the next Meeting.

The Speaker: The question is that the remainder of Business on today's Order Paper…

Mr. Alva H. Suckoo: Mr. Speaker, I would like to second the Motion as moved by the Leader of the Opposition.

The Speaker: It is not a written Motion, but we all understand what it is. It is on the record and so the question is that the remaining business on today's Order Paper (Private Members' Motions) be carried over to the next Meeting. All those in favour? Those against?

AYES.

The Speaker: The Ayes have it.

Agreed: Private Members' Motions carried to the next Meeting.

The Speaker: The question is that this honourable House do now adjourn sine die. All in favour? Those against?

AYES.

The Speaker: The Ayes have it.

At 7:11p.m. the House stood adjourned sine die.