

## Governor's Throne Speech

30 May, 2016

Good morning,

Honourable Speaker, Premier, Honourable Ministers, Leader of the Opposition, Members of the Legislative Assembly, ladies and gentlemen, it is my pleasure to be with you in this honourable House to outline the Government's plans for the 2016-2017 budget year.

I congratulate this Government on its careful stewardship and adherence to the principles of good governance. Much has happened since I delivered my first Throne Speech in 2013.

Since then, I have developed a strong affection for the people of the Cayman Islands. As you know, I hope to continue to serve as Governor until September 2017. I look forward to what the next year holds.

As I said in my first address, good governance, which I am charged to promote, involves the careful and planned management of resources, so that we all benefit in a sustainable way. This Government has worked hard to achieve the goals it set at the beginning of its term - to strengthen the economy, improve government finances, and enhance the lives of those who live on these islands.

Because of this hard work, the initiatives set out in last year's Throne Speech are either under way or have been accomplished.

In addition, with this budget, the Government will have met all the targets required by the Public Management and Finance Law and the Framework for Fiscal Responsibility and thus within the time span agreed with the

United Kingdom Government. This budget should, therefore, be the last that requires advance approval from the United Kingdom.

This achievement is the result of a disciplined approach to governance that has created a substantial surplus. It has helped boost business confidence and investment. The surplus has allowed the Government to reduce import duties and fees, as well as to continue addressing the problem of civil service pay stagnation.

Individuals and businesses have felt the benefits of both this increased economic activity, and of lower taxes across the economy.

We have seen the average prices of goods fall, helped by the reductions in import duty on most goods. Electricity costs are also lower because of falling oil prices, but also because of the lowering of import duty on the diesel used to generate electricity.

Importantly, because of the growing economy, employment - particularly of Caymanians - has improved significantly. The past year has seen the best employment figures since 2007.

To help Caymanians who have challenges getting, and keeping employment, the Government has collaborated with the private sector in the "Ready 2 Work" programme. This important initiative seeks to give individuals the dignity of work as well as to provide economic benefits for employees and employers.

The Government is also continuing with major capital works that will enhance air and cruise tourism, modernise waste management, improve roads and revitalise George Town. Work has begun on a new boardwalk

and park in South Sound, and other new public parks are expected to be completed in the coming year. Work will also continue to make a Long Term Residential Mental Health Facility for Caymanians a reality.

The National Solid Waste Management Strategy has been finalised, and work is progressing on the Integrated Solid Waste Management System. The Government will be making announcements about recycling, and the removal of old tyres at the landfill, soon.

The Government maintains a strong and clear determination to meet international standards across its wide range of operations. I refer not only to regulation of the Cayman Islands international financial services sector, but also to procurement standards, gender equality, and improvements to intellectual property and copyright laws.

All of these matter to Cayman's economy and to providing for a fairer society for all. The introduction of a National Minimum Wage, just two months ago, along with pending amendments to the Labour Law, will contribute to this aim.

The Government's commitment to international standards was evident from the Cayman Islands participation at the recent anti-corruption summit in London. At the summit, the Government stated, and the UK Government agreed, that the Cayman Islands has proven its commitment to transparency and should have a seat at the table when decisions are made. The relationship between the United Kingdom and Cayman Islands governments remains strong, and both are committed to working together for the good of the global community.

In addition to new initiatives around beneficial ownership, the Ministry of Financial Services is preparing for several important international assessments in the year ahead.

The Ministry is also prioritising enhancements to mechanisms for the exchange of beneficial ownership information, ahead of the June 2017 deadline agreed with the UK. The Government will also enact and amend legislation dealing with financial services and data protection.

Importantly, the Ministry of Financial Services, and the financial services industry, continue to maintain a high level of cooperation and partnership. To highlight this, Cayman Finance supported the Government's position, and assisted the Government's efforts, at the conference in London.

The public sector is committed to providing a level of service that is on par with competing jurisdictions. The Deputy Governor is leading on the professionalisation and effectiveness of the civil service. The first item from the Project Future programme that Cabinet has approved, is the creation of an Office of the Ombudsman. This will combine the functions of the Complaints and Information commissions, as well as the new Police Complaints Commission. This should be in place by the end of this calendar year. Other projects are in development and the Government will speak to these in due course.

In addition, the Public Authorities Bill will be introduced in the 2016-2017 Fiscal Year, and will aim to increase the effectiveness and efficiency of the public sector more widely.

To facilitate a more modern approach to doing business, the Cabinet Office will coordinate public sector efforts to make improvements in cyber security and strategic communications during the next financial year. There will be continued focus on the use of technology to deliver and improve services.

The Government knows that innovation is necessary to ensure a vibrant public sector, as well as a thriving and sustainable economy. It continues to encourage and support businesses of all sizes.

Economic sustainability is, of course, a particular concern to Cayman Brac and Little Cayman. The Ministry of District Administration has plans for projects that will help to meet its goal of job creation.

The Ministry of Finance, meanwhile, is working to develop tools that will provide more up-to-date and detailed information about all areas of our economy. This kind of evidence based decision making will be a model for the public sector.

The Ministry of Health will continue its efforts to eradicate the aedes aegypti [pron: ADEES EGYPTEE] mosquito, and thus help keep residents safe from harmful mosquito borne illness such as the Zika virus.

This September, the Ministry of Education, Employment and Gender Affairs, will launch a second action plan focussing on targets for improvement in schools. Labour and pensions legislative reform will clarify the law and increase compliance. The Government is also working to improve the care for those most in need through better social policy, programmes and services. Work will continue on improvements to school infrastructure.

In addition to introducing a national policy for older people, the Ministry of Community Affairs will streamline the processing of applications from those most in need.

Caymanians, and residents of all ages, rightly place great importance on personal security. I will be asking the new Commissioner of Police to review the operations of the Royal Cayman Islands Police Service and to put forward recommendations for improvements.

In addition, the Ministry of Home Affairs will develop interdisciplinary approaches to crime reduction and child protection between the agencies responsible for criminal justice, public safety and national security. Capacity-building, standard setting and, as elsewhere, the use of technology will be prioritised.

The Office of the Director of Public Prosecutions will upgrade its electronic case management system, in order to collect performance data more reliably and improve the link between the Police and Courts.

The Judicial Department will introduce mediation for family proceedings in both the Grand and Summary courts, to help parties reach settlements and avoid protracted legal proceedings.

We will also see change with the introduction of the new electoral system. The civil service will ensure that the electorate is educated about the new system, as well as ensuring that everything goes smoothly on Election Day.

Ladies and gentlemen, while the agenda that I have outlined today highlights the plans for the current political administration over the coming

year, the civil service, oversight bodies, private sector and civil society all play important roles in supporting our thriving democracy.

As we address the demands of today, we must also consider the new opportunities and challenges of the future, and follow a course that will benefit future generations.

It will be important that all of us who are lucky enough to call the Cayman Islands home, work together to deliver a strong, safe and stable environment for everyone to enjoy.

Thank you for your attention.

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