



OFFICE OF THE  
**PREMIER**  
CAYMAN ISLANDS GOVERNMENT

## **Chamber of Commerce Annual General Meeting**

### **Address by Premier Hon. G. Wayne Panton, JP, MP**

### **Thursday, 9 February 2023**

Good afternoon,

It is wonderful to be here with you today; on this occasion when one bright, young Caymanian leader passes over the leadership reigns of the Chamber of Commerce to another bright, young Caymanian. Naturally, it is a day when the Chamber will look back and celebrate the gains of the past year and the incoming President will look forward with confidence and optimism that the coming year will be even better than the year before.

As the great Martin Luther King Jr once said, *“Transitions are a time for reflection and a time for looking forward.”*

Today is a day for transition at the Chamber of Commerce. Today is a day to honour the works and achievements of outgoing President Shomari Scott and welcome the new leadership of incoming President Nelson Dilbert.

Mr Scott, or ‘Shomari’ is a shining example of the next generation of Caymanian leadership, who brought to the role of Chamber President both public and private sector experience, and experience in two distinctly different industries of tourism and, for the past decade, healthcare. That diversity of experience coupled with his warm, engaging personality and willingness to listen and to help, has served the Chamber well this past year and on behalf of the entire Government, I am thankful for his contributions to our efforts this past year.

We thank you for your service and look forward to your continued friendship and counsel for many years to come.

We are, of course, also here today to welcome Mr Nelson Dilbert as the new President of the Chamber of Commerce. An entrepreneur who was raised by an entrepreneurial father, Nelson is quite familiar with the challenges of running businesses in the best of times and thanks to COVID-19, he also experienced the challenges of running a business in some of the worst of times. I know that he is going to build on the solid foundation laid by outgoing President Shomari and the Chamber Council, and I very much look forward to working with him and the Council as we continue to grow our economy post the COVID-19 crisis.

Ladies and gentlemen, I began today speaking about transition and change. And, just under two short years ago, the people of the Cayman Islands voted for change. They voted for a new way of doing things. And, while things have not been perfect, we have strived to run a government that puts the needs of our people at the center, grows the economy and ensures that businesses thrive. At the core of our Government's philosophy is ensuring that the rising tide that is our growing economy lifts all boats.

My friends, in just two short months, our Government will reach the mid-term mark. When we took office, the Country was quite literally closed. Government revenues had fallen off of a cliff. Businesses – both small and large – were struggling to keep the lights on. Some workers lost their jobs and their income. It was a difficult time. And, while those times seem like a world away in our now reopened economy, the reality is that we were in the darkest days of the pandemic just two short years ago and its impacts still live with us today.

I am proud of what we have accomplished over the past two years. It did not matter whether we were business leaders or workers or serving in Government. It did not matter whether we have lived in Cayman Islands for generations or if we have more recently called these islands home – we came together, we rolled up our sleeves, and we worked

together to safely reopen our economy and get our beloved Cayman Islands working again!

Today, thanks to tireless work over the last two years by this Government and private sector partners, I am pleased to report that our economy is strong and getting stronger. Our economic growth rate is among the best in the region – we are in excess of 3.5% in real terms based on the last published numbers. International business is thriving. Hotels are full again. Shops and restaurants are bustling. And jobs are available up and down the economic ladder. It is my pleasure to report that, thanks to the successful reopening of the economy, there will be a surplus in this year's budget. Over the last two years, we have accomplished so much for business and people.

- We extended the reduction in business fees for small and micro businesses through 31 December 2023
- And, it is working. From June 2021 to June 2022, 314 small businesses benefited from CI\$166,294 in fee discounts and during the same time period, 1,958 micro businesses benefited from CI\$1,471,300 in fee discounts
- We also reduced liquor license fees, and this benefitted 380 license holders. The temporary reduction in fees ranged from \$1000 for retail licenses for standalone bars and nightclubs to a distributor license of \$4800.

We also have made significant progress in meeting the ever-changing standards of the global financial regulatory regime.

- Specifically, we improved technical compliance and are compliant or largely compliant with the 40 FATF Recommendations
- We have made strong progress toward completing the FATF's 3-point plan issued in February 2021.
- We are developing a consolidated BO Act and examining the European Union's Court of Justice November 2022 judgment regarding beneficial ownership registers to understand its impact.

There is a positive viewpoint on the future of Cayman's financial services. At the same time, there is a need to stay ahead of the curve for regulatory developments and positively contribute to the global discussion around major financial services talking points like AML. We have to continue working together for the benefit of the Cayman Islands as a whole. We have to get the necessary legislation in place and test it prior to impending assessments and we need to have a mind-set that enforcement and changes to our legislative framework are necessary parts of the preparation process. Government has a plan for creating a financial services jurisdictional strategy.

I am also pleased to report on the growth of our business sector across the Cayman Islands. For the period ending on January 31, 351 new business applications were processed and 1,164 were renewed. In total, as of December 31, the total number of business licenses and certificates stands at 13,309.

Thanks in part to the health of our business sector and the overall health of our economy, I am also pleased to report that our Government's fiscal health is strong. As noted earlier we will likely complete 2022 with a much stronger than-projected surplus on the back of a record revenue year. More details will be forthcoming at a later time but this clearly speaks to the strength of our economy and confidence in our Country. The global supply chain crisis, the war in Ukraine and the imprudent monetary policies in some of our larger friends and neighbours all contributed to a global inflationary crisis that has resulted in higher prices on the grocery store shelves right here in the Cayman Islands. This is not a reality of our making, but, it is a reality that we have had to address and will likely have to continue to address for some time.

As business owners, I know you are feeling it – the need to raise your prices not because you want to or because you benefit but because it is forced upon you by your upstream suppliers. And, I know that working and middle class families are feeling it as well. Make no mistake, this cost of living increase is putting too many families and too many businesses under stress.

As we reach the midterm of this Government and we enter budget preparation season, I will be challenging all Ministries and departments to take their performance to the next level. We are going to complete a top to bottom evaluation of the actions of our Ministries and our Ministers, conduct performance evaluations against our stated objectives and determine how to structure the Government so that we can continue to responsibly grow the economy over the next few years.

Serving in Government is a privilege; it is not a right. It is not about personalities or power, it is about service and it is about people. We must not become complacent or too comfortable in our positions, because, when we do so, we are not the best possible servants of the people.

My friends, we came into office promising to be a different kind of Government, a more transparent government, a government that grew our economy while at the same time ensuring that Caymanians are not left behind. This is a delicate balance, and I can readily admit that we do not always get that balance right. During this midterm evaluation, I will take a hard look at both the successes we have had and the challenges we have faced. It may mean that bold, decisive action is necessary to make sure that we accelerate the progress over the next two years.

As we look forward to the next two years of our first mandate, the great challenges we must face are growing our economy in a way that meets the needs of businesses and Caymanians alike but in a sustainable way. It also means addressing the global cost of living increase and lessening the blow for families and businesses alike.

In late April, we will announce our Strategic Policy Statement and thereafter, dedicate the summer to preparing our next set of objectives and formulating the 2024/25 budget for approval. Of course, these would not have been finalised, but, allow me to take a few moments to speak to the values that will guide both policy documents.

Our values are rooted in the need to balance the preservation of our Caymanian heritage, culture, environment and opportunity while simultaneously protecting and growing our

economy. It is also the priority of this Government to further address the cost of living, housing, and traffic/public transport challenges we face.

Let me begin with the latter. We are formulating a comprehensive Cayman Sustainability Agenda that focuses on ensuring that these islands are a place for Caymanians to live and thrive while ensuring that it is a welcoming place for newcomers who wish to become part of our diverse social fabric.

The Cayman Sustainability Agenda will include initiatives like an adjusted minimum wage, a substantial new investment in affordable housing and additional support for our community college and working with other public and private sector initiatives to train Caymanians to earn and keep the higher skilled, good jobs – from the trades to the board rooms.

We must build more affordable housing. A significant portion of every Caymanian's annual family budget goes toward housing. If we can reduce that burden, we can put more money in people's pockets and provide cost of living relief. Building more affordable housing means the construction of apartment blocks and single-family homes. But, it also means examining our laws to allow us to take advantage of the land we have to increase density and build more homes. Building up (two or three floors, not thirty storeys in this case) will allow us to conserve our land, add more housing units to the market and bring down costs. Denser communities will also help us address our transportation and health issues by improving walkability in our Country. Affordable housing is a key plank of our Cayman Sustainability Agenda and we are committed to facilitating the conditions which allow the private sector to deliver housing at lower costs. The National Housing Development Trust is also poised to deliver 100 affordable homes in the next two years.

The Cayman Sustainability Agenda also includes the development of a comprehensive transportation plan that includes continued progress on critical road infrastructure but also provides incentives for car sharing, biking and a new clean, reliable public transport system. Make no mistake, there are no overnight solutions to the traffic issues. We have

imported more than 13,000 cars in the last four years, the equivalent of more than 25 miles of cars and some of it can't be undone quickly but we can slow that down to something more manageable.

When we speak of cost of living and addressing it, we acknowledge that energy prices also represent a significant portion of our household and business costs. We are reviewing the national energy policy and will do all in our power to accelerate the adoption of renewable energy at both the utility and household level. Nevertheless, the reality is, our people need relief now. To that end, the Ministry of Sustainability and Climate Resiliency, my Ministry, will provide help for Caymanians to start to retrofit their homes to make them more energy efficient. This policy will have two positive outcomes – it will contribute to the economy and simultaneously improve the energy efficiency in our homes, helping our people save on energy costs. Details of the programme will be announced later this month and we hope to help dozens of eligible Caymanians retrofit their homes before the hot summer season.

Due to our small size and our geographic location, the Cayman Islands will always have a cost of living challenge. We are not promising to solve all our cost of living problems or to solve them overnight. Instead, we are committing ourselves to make things a little bit easier for businesses and workers alike.

The details of the Cayman Sustainability Agenda is still in formulation, and, you can be sure that we will be consulting our friends in the business community and the entirety of civil society as we develop the details of this transformative agenda in advance of the April deadline for the Strategy Policy Statement and the summer start of the 2024/25 budget process.

Allow me to take a few moments to address our philosophy around the issue of work permits, immigration and the preservation of our unique Caymanian culture. I have heard your frustrations. I know that in order to grow our economy, we need to improve

Government's efficiency. An inefficient government serves no one and I will ensure that the resources – both human and technology – are available to improve government efficiency. If your paperwork is in order and if you've dotted all the i's and crossed all the t's, you do not deserve to be met with bureaucratic delays and inefficiency because this holds up our economy. Let me be clear: we must let the private sector grow and thrive.

While we seek to improve government efficiency, we simultaneously seek to ensure the unique culture of the Cayman Islands is preserved and honoured. To that end, we shall, in the forthcoming Strategy Policy Statement and budget, provide greater levels of support for the protection, preservation and promotion of our history and heritage, and to support cultural activities and the advancement of the visual and performing arts. We will make sure that everyone who joins our community knows about our history, our values, our culture and our people. When we welcome them into our community and they bring with them their cultures, their culinary specialities and their own customs, they must come into our community with respect for our history and our culture as well.

My friends, our fiscal performance is strong and our economy remains our top priority. But we must not forget our social agenda. We must build a fairer society where everyone – regardless of race or gender – has the opportunity. That is why we will soon put our draft sexual harassment bill out as a white paper so it can be commented on, refined and then passed into law. We must ensure that our workplaces, our schools and our organisations are free from gender-based harassment and discrimination.

We must also build a safer Cayman Islands. This means protecting our borders and ensuring that those who come here to live have clean records. But, it also means decreasing the economic and social stress in our society. We must reduce the economic stress our young people, families and the elderly are facing. With our Cayman Sustainability Agenda – skills training, job placement, affordable housing and several other socio-economic priorities will be at the fore. And, of course, we must support our families by preserving and protecting our tight cultural and social ties – and, that goes



down to the neighborhood level. When our communities are strong and close-knit, our communities are safer and healthier. Community builds Country.

Now, these aren't the only pressing social issues facing our Country. And I can definitively assure you that you will not be fined hundreds of thousands of dollars or jailed for feeding chickens or cats in the Cayman Islands so we can move beyond that.

This speech is the beginning of a conversation. It is the beginning of a conversation on our midterm evaluation – and, you will be hearing more about this soon – and, it is the beginning of our conversation on the Cayman Sustainability Agenda. We are a small society and your opinion counts. There are too few of us living in this society for acrimony or negativity. The Cayman Islands is strongest when we all work together.

As a part of this midterm evaluation, I urge you to tell me who and what is working and what needs improvement. Let us have these important conversations, even if they must be tough conversations.

My friends, we have made much progress in the last two years, but now is the time to accelerate the progress. Good Government means transparency. Good Government means accountability. Good Government means engagement. And, good Government means making tough, decisive decisions.

I look forward to engaging with you on the midterm evaluation, the Cayman Sustainability Agenda, and of course, on my commitment to you to build a more efficient government. If you follow the rules and do everything right, the growth of your business and our economy should not be hampered by an inefficient and slow government.

To outgoing President Scott, thank you for all you have done for our Country and our economy. To incoming President Dilbert, congratulations and best of luck during your tenure. I look forward to working with you to build a stronger and more secure economy

where the rising tide of prosperity truly raises all ships or all people across our three islands.

Thank you so much for the opportunity and I look forward to seeing you again in June for the Annual Parliamentary Luncheon.

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