



Cost of Doing Business Focus Groups



Findings and Recommendations

November 2016



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EXECUTIVE SUMMARY

Background, Selection Process & Objectives

Taking the findings of the Chamber of Commerce's annual Prioritisation Survey (Appendix A), in which the costs of doing business was highlighted as an issue of high importance, the Chamber decided to host three focus groups on this topic.

Local members of the business community and Chamber membership were selected at random, with a cross-section of industry types and sizes being invited to take part.

Businesses listed in Appendix B then sent the appropriate representative to the focus groups, during which they provided answers to a series of questions. The names of the individuals have been omitted for confidentiality reasons, and the names of businesses are not explicitly labelled throughout the findings.

Ultimately, 25 different local businesses were represented during the three-day period. The total number of employees hired by these 25 businesses amounts to 2,511.

The purpose of these focus groups was to gather constructive criticisms about the current costs of doing business, and use these to ultimately recommend changes that would bring about and implement positive change within the business community.

Findings

The attendees who attended the focus groups were asked a series of questions about the costs of doing business and how they felt Government had handled business costs.

From the responses to the questions asked, it was apparent that Government fees are the highest cause of expenditure for local businesses, closely followed by labour/salaries. Moreover, as evident from the responses from our other questions, Government fees and procedures have presented various challenges for businesses in the Cayman Islands.

In regards to efficiency of Government departments, a majority of our attendees took issue with the planning department. They found that permission delays for projects could be as lengthy as 6 months, with other plans and projects having to be stalled or scrapped in the meantime.

There were also issues raised in regards to the application of fees. Two in particular stood out, and they were the fees applied when containers are scanned when imported, and the second was the fees paid to have documents completed in an express queue. In both these cases fees were applied when they should not have been. The container scanner was out-of-order (and therefore not used), yet the fee for its use was still applied. In the latter case, the express queue did not match the promised timeframe, yet a refund was refused. This lack of efficiency and appropriateness is frustrating businesses.

Another issue that arose was work permit fee costs. It was nearly unanimously agreed that work permit fees have been problematic for Cayman Islands businesses. When asked whether these fees are more harmful to small or large businesses there was a somewhat mixed reaction, although it was mostly agreed that smaller businesses are at greater risk.

It was argued that larger businesses are more likely to be scrutinised by Government departments in regards to adhering to regulations and owning the proper permits and licenses; but it was felt that smaller businesses are more likely to suffer because of the disproportionate permit fee costs. As one attendee put it, smaller businesses are at greater risk because of “blanket fees.” Others also took issue with a so-called “job title tax.” They stated that the increased fees for a job title were causing their companies to be discouraged from offering promotions to staff who they feel deserve recognition for their hard work.

Focus group participants also addressed educational standards in the Cayman Islands, especially during the first focus group. Our attendees noted how young Caymanians are ill-prepared for the future world of work, with many of them lacking the skills for particular common job roles. They argued that greater improvements in schools are necessary to train Caymanians for different roles. For example, an emphasis on vocational skills whilst at school will mean that they have already acquired skills for particular job roles, putting them at an advantage of securing a job over a work permit holder. Moreover, companies can save money by not needing to hire as many ex-patriates.

Ultimately, when taking into consideration the comments of our focus group attendees, we formulated several recommendations that the Government could work on to introduce positive change in the business community. These recommendations are as follows:

- Proportionate and fairer work permit fees.
- Improved educational standards in schools.
- Improved efficiency in Government departments (particularly planning).
- Appropriate application of fees.
- Better utilisation of Government funded initiatives.

INTRODUCTION & BACKGROUND OF PAPER

The Chamber of Commerce held focus groups over the course of a three-day period in the early stages of October, 2017.

On the mornings of October 5-7, randomly selected representatives from a cross-section of the Cayman Islands business sector were invited to the Chamber of Commerce's conference room in Governors Square.

The focus groups were organised as a result of the findings from the Chamber's annual Prioritisation Survey (see Appendix A), in which the costs of doing business were identified as an important concerns for local businesses.

It must be noted that the findings of the annual survey were collated from the responses of those who participated in the survey, and are not indicative of the entire Chamber membership or reflective of the views of every Cayman Islands based business. The findings were simply of those who took part.

However, the responses on the costs of doing business from this survey were nevertheless of interest. Therefore, the Chamber established three focus groups to discuss the topic of business costs, and thus gain a more reliable, accurate, and comprehensive insight into what our local businesses think of economic factors behind running a business in the Cayman Islands.

This paper will clearly identify and explain to you the Chamber of Commerce's objectives for conducting these focus groups, our methods of conduction, our findings from the sessions, and our recommendations for change and improvement in regards to the current costs facing businesses.

FOCUS GROUP OBJECTIVES

The Chamber of Commerce enforces its mission statement of supporting, promoting, and protecting the businesses of the Cayman Islands on a daily basis.

Furthermore, and by conducting focus groups such as these, the Chamber of Commerce is presenting itself as a catalyst for positive change in Cayman.

Our objectives for these focus groups therefore reflect both our mission and vision statements.

The Chamber's objectives for these focus groups were to develop and recommend changes that will make running a business more efficient for the business members in our community, as well as resolving issues that they currently find problematic. Furthermore, we wanted our attendees to also share their positive experiences around the costs of doing business, and to provide us with examples that have benefitted their businesses in a positive manner.

The observations we present in this report are constructive. We hope that our comments

and the opinions of our focus group participants can assist in improving the issues surrounding business costs, and improve the system in a manner which can benefit both the business sector and the Cayman Islands Government.

PROCESSES FOR FOCUS GROUP SELECTION & CONDUCTION

These focus groups were prepared for the mornings of October 5-7, with each session lasting one-and-a-half hours. Eight different questions were asked during that timeframe. The questions were written by and agreed upon by the Chamber Council. Each participant was given appropriate time to think about the question and provide their answer to the remainder of the group.

The questions were delivered to the participants by Chamber Vice-President, Mr. Paul Byles. His input in the proceedings was limited to a brief introduction, the asking of questions, and the clarification of either questions for the participants, or the answers they provided.

Mr. Byles did not provide his own opinion in the discussions as the aim of the sessions were to determine what our participants thought of the current costs of doing business in the Cayman Islands. Almost the entirety of the conversation came from our selected participants.

Chamber CEO, Wil Pineau, CCE, and the Chamber's Communications Assistant, Ross Taylor, were also present for all three sessions. However, neither participated in the discussions and were present only to take notes and document the points and comments raised by the invited participants.

To ensure a high level of reliability and accuracy, the businesses who took part in the focus groups were randomly selected, and were a reflective cross-section of the Islands' local industries; ranging from supermarkets to construction companies, as well as large firms to small businesses.

Representatives from these selected companies were either selected by their employer, or were the employer/owner themselves. All invited speakers had knowledge and experience in dealing with the costs of conducting business.

For confidentiality reasons, we cannot explicitly name the persons who were in attendance. However, the names of the companies represented during the focus groups have been included (see Appendix B).

In total, 25 different local businesses sent representatives to the focus groups. Additionally, the 25 businesses who participated have a combined workforce of 2,511 people – just under 5% of the Cayman Islands population.

FINDINGS

Due to the number of questions asked during the focus groups, as well as their respective answers, the findings section of this report has been split into several sections.

The questions asked make up the subheadings, and the subheadings are in the respective order as the questions asked during the focus groups.

By arranging the questions in this manner, our findings should be clear to read and efficient to navigate.

Q1: What are your two largest areas of expenditure?

The participants were immediately asked what their two largest areas of expenditure were. Each representative gave two different responses, and the results were as follows:

Table 1

AREA OF EXPENDITURE	PERCENTAGE OF RESPONSES
Government fees	39.53
Labour/Salaries	34.8
Insurance (Health, property, etc.)	9.3
Training of staff	6.97
Utilities	4.65
Rent	4.65

As table 1 shows, the two largest areas of expenditure for the participating businesses were salaries & labour costs, and Government fees. When pushed for clarification on the nature of the Government fees, participants revealed these included: import duties and, mostly, immigration/work permit costs.

On at least two occasions, participants noted that inefficiency in certain Government departments is causing businesses large amounts of money. Whilst they explained that this is not necessarily the departments fault – e.g. staff might not be able to effectively meet the demand of local businesses – they also expressed a need for changes to be made so that businesses aren't suffering so much financially when proceeding through Government channels. This issue will be addressed in greater detail later in these findings.

Q2: What steps have you taken to reduce expenditure over the past 12 months?

Considering the area of expenditures listed by our participants in Table 1, it's unsurprising that the steps they have taken over the last year are reflective of them.

Several participants explained how they had started the process of relocating their organisation, viewing new buildings and office spaces to find a more affordable location to

conduct their business. Others have begun to install state-of-the-art technological systems that can efficiently manage energy and electricity uses in the office.

As one participant stated: "with CUC being the only electricity company on Island, we had to reduce electricity usage. We've invested in a product which would help reuse and recycle energy and lower costs. It hasn't been completely impactful, but we felt that we had no other choice."

Other alternative methods of reducing expenditure included reduced advertising (across all media channels), and the reduction in overtime hours being permitted to members of staff.

...more needs to be done to ensure that Caymanians are prepared for work when they graduate from high school or college.

Whilst these two methods might appear simple enough on the surface, it is important to note that any increase in these methods may result in individuals suffering financially (working less hours), and local media channels suffering from investment that they require to remain viable.

Five participants stated that they hadn't reduced or even attempted to reduce costs over the past year. However, in three of those case, this was more out of necessity than desire. Two participants explained how – in order to meet the demand of their services throughout the Cayman

Islands – they were being forced to spend more money. Others explained how they are spending more money now in an attempt to reduce costs in the future – either preventing the need for more work permit holders under employ in the future, or to invest and ensure that growth is not quashed.

Participants who listed Government fees as a great influence on their expenditure explained how they had attempted to hire less employees as a result. For certain industries, Caymanian residents did not have the requisite skill set, requiring the businesses to seek permit holders. However, due to the permit fees, they have opted to keep their current workforce as it is, at the risk of losing out on potential business. This was a worrying response as it was indicative of business growth being stunted.

Moreover, those who had attempted to increase the amount of local Caymanians they hire found difficulty with training. In some cases, businesses were losing similar amounts of money training Caymanians to what they would be required to spend on a work permit. This is frustrating businesses, especially because the level of training that is required can be acquired at a young age. Other participants noted that training was also eating into their budgets, and that more needs to be done to ensure that Caymanians are prepared for work when they graduate from high school or college.

The issues raised surrounding training and work permits will be addressed more comprehensively later in the findings, although we have introduced these points where they were initially raised during the focus groups.

Q3: Has the cost of doing business had any positive or negative impacts on the growth of your business? If yes, please explain.

Growth of the private sector is crucial to the economy, helping to fund the public sector that will in turn use the cash to improve educational standards, Island infrastructure, security & safety, etc. So the question as to whether the current costs of doing business were affecting business growth was of vital importance.

It became immediately noticeable that planning costs and planning permission from Government were having negative impacts on a majority of our invited businesses – particularly those with an interest in construction or utilities.

A recurring response we heard was that approval delays were halting projects for businesses and fuelling their costs. Whilst projects were stuck in “approval limbo” businesses were still forced to fund them to ensure that they could still proceed once approval had been granted. Not only does this negatively impact their finances, it also has negative effects on their business plans. Some companies explained how they could not proceed with other projects as they had invested their time, staff and money in others that were delayed because of Government approval processes.

The cost of work permit fees was also frustrating businesses, with some opting to halt growth of staff in the meantime.

In one case, a participant explained how the planning permission for their project took 6 months to complete, but the project itself took less than a week. They were left incredibly frustrated by this, and ultimately found it unacceptable. They explained how they were losing clients and business because the delays were so extensive. Other businesses explained how their planned projects and estimated growth had fallen short of expectations due to planning delays, ultimately leaving them to consider their futures in the Cayman Islands.

As one participant explained: “Our Company cannot grow if business is not conducted. Right now a half an hour decision is taking 6 months.” As the participant highlights, companies are struggling to develop, and ultimately this frustrated growth will have negative effects on the Cayman Islands economy. Another participant explained that businesses may be convinced to set up shop in a different country; either setting up their headquarters in another country or removing their business from Cayman entirely.

The cost of work permit fees was also frustrating businesses, with some opting to halt growth of staff in the meantime. Some businesses – however – saw positives in hiring more Caymanians, helping to reduce unemployment in the process. But they also noted that some Caymanian employees were struggling with work and required more training, or others unfortunately did not have the work ethic suitable for the role.

Other areas of issue included rent and overseas competition. One attendee explained how their business wished to expand into different locations in Grand Cayman, but due to rent – especially in Camana Bay – they could not do so. Another explained how businesses in the

Cayman Islands were finding it more affordable to offload work overseas, taking trade and investment away from local organisations.

Ultimately, despite some positives in regards to investment in technology and the hiring of Caymanian staff, it is apparent that the current costs of doing business are having a negative effect on local businesses and their opportunities for growth.

Q4: Is the current cost of doing business more beneficial for small or large businesses?

Whilst the costs of doing business are important, it is also vital to understand the difference between how small and large businesses cope with their expenses, especially if certain fees and charges will be the same regardless of business size.

For example, costs of labour will vary due to business size, but the cost of work permit fees for specific job roles will not.

There was a somewhat mixed reaction to this question, although the prevailing opinion was ultimately that business costs are currently more favourable to larger businesses.

When asked, the majority of the respondents highlighted the disparity in fairness in regards to work permit fees. As was highlighted in the Chamber's Immigration Recommendations

Another attendee stated that the "current permit system is regressive."

Report, our attendees once again found issue with work permit fees, claiming that it is unfair that a small and large business should pay the same fee. One member used the example of a law firm, asking why an independent law firm of 5 members of staff should pay the same permit fee as a firm with over 200 employees for a new attorney. This issue was raised time and time again, and it is apparent that smaller businesses are often halting their plans for growth in order to save on fees.

Moreover, representatives of both small and large businesses stated how they were forced to prevent offering promotions to their staff. One representative explained how they felt awful that they could not offer their employee a promotion in recognition of their superlative work because the fees would be too high. Another attendee stated that the "current permit system is regressive." The same attendee commented further, stating:

"A CEO permit fee should not be the same for a business of 6 people than the fee for a business of 500 employees. No one knows what the principles are for the creation of these permit fees."

The attendee questioned whether fees are based on employee salaries or company revenues, ultimately arguing that there is no apparent scalability, just a blanket fee. The fees are not proportionate for small and large businesses, and businesses are often "hamstrung" by job titles. The representative finished their comments by claiming up-front payment of fees were

also harming small businesses, and proposed that a payment plan would be more beneficial and effective.

This argument was somewhat opposed by another attendee, with this person arguing that fees should be determined on annual revenue rather than size of workforce. On the other hand, there were many examples provided of how larger businesses face different struggles. Someone commented saying how larger businesses are viewed as having “deep pockets” that can be exploited, meaning that these businesses are contributing far more than their fair share, and that this is causing some businesses to seek locations outside of the Cayman Islands.

Another attendee explained how larger businesses require more licenses and fees to carry out larger jobs and tasks, and that the reduced regulations for smaller businesses puts them at an advantage. This argument was echoed by a representative from a small business who claimed: “It’s easier to hide away as a small business. You’re more likely to avoid fees or regulations.”

However, the most frequent argument from our attendees was that smaller businesses are currently at more risk of suffering, almost entirely due to the fees required for work permits.

Q5: Can you name one specific change introduced by Government that has helped your business over the past few years?

A fairly straightforward question, initially each participant was asked to answer yes or no. If they responded affirmatively, they were then asked to name the change(s) that they had noticed.

Table 2 shows how the twenty-five participants responded to the question.

Table 2

ANSWER	PERCENTAGE OF RESPONSES
Yes	36%
No	64%

In total, just over one third of our invited participants could identify a positive change implemented by Government, but just under two thirds of them could not. Moreover, some of the persons who had acknowledged a positive change still felt that it was not enough, and that more changes were needed.

Amongst the positive changes identified were the reduction in duty fees for fuel, reduced fees for Trade & Business licenses, and reduced import fees for electric cars.

Q6: What Government change has harmed your business?

In an attempt to determine what our invited representatives felt of Governmental changes,

we asked them to specifically label what change has negatively impacted their business. The responses were as follows:

Table 3

CAUSE OF CHALLENGE	PERCENTAGE OF RESPONSES
Staff & Service	0
Laws & regulations	86.36
Both	13.64

Unsurprisingly, work permit and trade & business license fees were the most prominent areas of concern for local businesses. The other answers however – duty fees and the pension law – were perhaps slightly more surprising. Whilst reasoning behind work permit fees and trade & business licenses had been raised and commented upon during other questions, duty fees had only been addressed occasionally, and the pension law had not been mentioned at all.

When asked for clarification, the respondent who answered duty fees explained how it was the container scanner at customs in particular. The respondent explained how the scanner itself has been out-of-order for months, but the fee for its use is still applied. The respondent was frustrated that this fee could still be eligible, considering that the scanner is not being used.

In regards to the pension law, one attendee explained how ex-patriates are struggling because they cannot retrieve their invested money. They continued, stating how certain individuals or families are in dire need of that money to survive, but can do nothing about it. They concluded their argument by stating that more money going into a pension plan will make it even harder for these persons.

Whilst areas such as pensions are difficult to address, it is issues raised such as the customs scanner which can and should be addressed.

Q7: What key change would you like to see from Government that will positively impact the cost of doing business?

When asked how Government can positively impact the costs of doing business, our three focus groups provided a rather mixed response.

Our first focus group unanimously identified educational improvements as vital to the reduction of business costs. The representatives explained how young Caymanians and unemployed Caymanians are not receiving the education or training required to enter the world of work in an effective manner.

One attendee explained how not every child will go on to college or study to become an attorney or accountant, so greater emphasis is required in schools on vocational courses. Without this emphasis and encouragement, young Caymanians cannot learn the skills of particular trades, and ultimately businesses suffer as they have to spend more money training employees the basics of certain job roles.

Moreover, they argued how a greater focus on vocational skills would also mean that there would not be as high a demand for ex-patriate workers, as local Caymanians would be skilled

enough for the roles.

One attendee pointed the focus group to the attention of an article written in the newspaper 11 years prior to that day. The article addressed the same concerns in regards to educational standards and how they must be improved, and the attendee was incensed how, after 11 years, the exact same issue was pertinent. They expressed how – in the long term – the education of Caymanians would be more beneficial for the Cayman Islands and its businesses. Companies would not need to hire so many work permit holders, and the Cayman Islands unemployment rate would decrease.

On the topic of hiring Caymanians, one attendee stated that the Ready2Work programme needed to take a far more prominent role in the country. They acknowledged the efforts and the positive intent behind the programme, but argued that they must do far more to acquire the recognition from local businesses and to have unemployed Caymanians secure jobs.

Comparatively, our second focus group wanted to see better efficiency in Government departments. The majority of attendees on our second day highlighted how inefficiencies and lengthy delays in the planning and immigration departments were proving to be extremely costly for businesses and their projects.

One attendee explained how they had seen the immigration process for a new member of staff increase from 6 weeks to 6 months in the space of a few years living in the Cayman Islands. Others, as explained earlier in this paper, found themselves funding length approval delays which stunted the continuation of projects. Our attendees expressed a need for improvements within Government departments so that delays were eradicated, or at the very least were shorter and therefore less costly.

Another attendee showed their frustration when they stated how the inefficiencies they had experiences with Government came after millions of dollars were spent on updates and improvements. They continued to state how further training is imperative to ensure that staff can handle the demand efficiently and effectively, further commenting how businesses may seek to halt projects altogether or relocate if their frustrations continue to grow.

A representative from the third group provided one example of inefficiency that hindered costs. They explained how, when attempting to hire a security guard, they were required to get a security license. The license in turn required a police clearance. The attendee then explained how they were forced to contact two different police departments for these documents, even though they are part of the same institution.

A different representative also claimed how inefficiency had cost their business. They had paid an “express fee” for their documentation to be completed in a shorter time frame. However, the department did not complete the documentation within this faster time frame, yet refused to offer a refund on the express fee. Inefficiency has been a major cause of concern for our members, and it was apparent throughout the responses from a majority of our invited guests.

One attendee explained how they had seen the immigration process for a new member of staff increase from 6 weeks to 6 months...

Some individual representatives proposed their own independent ideas for positive change too. One attendee on the third day stated that Government should spend less time and money on conducting reports and studies, and instead use the money in action. Another representative commented how Cayman Airways is being underutilised, echoing the views of one attendee who stated that the Department of Tourism was making it “impossible” to tap into new markets for businesses.

“How can we grow the economy if there is insufficient trained Caymanians, and we can’t accept or invite people to join the Island?”

Unsurprisingly, the topic of work permit fees was almost unanimously raised during this final question also. The overriding comment was that work permit fees must be more proportionate in regards to business size or revenue. The near

unanimous argument was that smaller businesses were at an unfair disadvantage due to work permit fees, and that growth could not occur, thus less money would circulate into the Cayman Islands economy.

Others called for the removal of the “job title tax,” arguing that fees across the board should be fairer for businesses so that they do not try to avoid particular job titles or even avoid hiring staff to expand their business. As one attendee put it: “How can we grow the economy if there is insufficient trained Caymanians, and we can’t accept or invite people to join the Island? We need to grow the economy to fit the Government, not shrink the Government to fit the economy.”

Some other individuals preferred the notion of having Government take a step back from these processes altogether, as they feared it would cause more bureaucracy and “red tape.”

However, it was ultimately argued across the three focus groups that Government needed to improve the educational standards in schools so that younger Caymanians are prepared for the future more effectively; that work permit fees should be reflective of business size and fairer across the board; and that Government departments needed to improve to eradicate or shorten excessive delays.

RECOMMENDATIONS

Having taken into consideration the comments made by the attendees of our three focus groups, these are their summarised opinions and our following recommendations.

A: Proportionate and fairer work permit fees.

Perhaps the most prevalent area of discussion during our three focus groups, it is evident that work permit fees are frustrating and hindering business growth in the Cayman Islands, as well as causing businesses great financial struggle. The disproportionate stance, or “blanket fee,” currently in place is especially harmful to small businesses in our country, and it is stunting their development and opportunities for trade. We would recommend making the work permit fees fairer and more reflective of business size so that businesses – both large and small – have a fairer playing field.

B: Improved educational standards in schools.

Another hot topic was the educational standards in schools for young Caymanians. Throughout the course of our focus groups, it was argued that young Caymanians are not getting the support or encouragement they need to prepare them for the future. Not every child can become an attorney or a doctor, but schools are not presenting this to students clearly enough. Instead, we would recommend changes in education that put an equal emphasis on vocational courses and the acquisition of new trade skills. This training at a young age will mean that there are more skilled Caymanians ready to enter the world of work once they have graduated, and ultimately satisfying the demand for trained labourers.

C: Improved efficiency in Government Departments (particularly Planning).

Efficiency in Government departments (as well as proportionate work permit fees) was raised as a recommendation in our last recommendations report on Immigration. However, this time around, it was the planning department that fell under scrutiny. From the responses we received, businesses are spending excessively lengthy periods of time in a sort of ‘project limbo’ whilst the planning department decides whether or not permission should be granted. Whilst we acknowledge that certain projects may require thorough assessment, others arguably do not. For example, the week-long installation of solar panels on a building should (arguably) not require 6 months of discussion. Therefore, we are recommending that efficiency in the planning department – and other departments – is emphasised and worked on. Training and education of staff will help ensure that projects are dealt with in an appropriate amount of time, and that businesses are not being forced to stall or cancel projects because of lengthy approval durations.

D: Appropriate application of fees.

Perhaps one of the more straightforward recommendations to implement, we would suggest that fees are only attributed where they are enforced and applicable. During our focus groups we heard two clear examples of fees being applied – one for the scanning machine for imported items, and the other for an express completion of documentation. In both cases there were identified problems, and in both cases the business was forced to pay money, even though it should not have been the case. In that regard, we suggest simply attributing the fee where necessary. If the scanning machine is out-of-order, do not attribute the fee for its use. If the express system does not fall within the promised timeframe, offer a refund of that fee.

E: Better utilisation of Government funded programmes.

In this instance the Ready2Work programme. As one of our attendees highlighted, Government has started to focus on this programme to encourage local businesses to take on unemployed Caymanians and provide them with work. However, apart from its initial inception, it has not been promoted heavily enough to make a difference. A better marketing campaign and stronger emphasis on this programme would mean that Caymanians would be more likely to fill in available job roles, ultimately reducing the need for work permit holders. Whilst the programme might not satisfy the demand entirely, it is an effective way to start addressing the issue. Moreover, because it is a Government initiative, we recommend that you advertise and promote it to a greater extent to local businesses to ensure that they are committed to the cause of reducing Caymanian unemployment.

Whilst we acknowledge that some of these recommendations may not be introduced with ease, we would like to reiterate that they are the views of local business representatives and business owners who have a full comprehension of the costs of doing business in the Cayman Islands.

These recommendations are not designed to be an attack on Government or any of the departments we have highlighted throughout this report. These are carefully designed recommendations derived from constructive criticisms that have been vocally expressed by our representatives of small and large businesses in the Cayman Islands. They are designed to encourage positive change in the business sector and its relationship with Government, as well as to ensure the progression of the Cayman Islands as a suitable and attractive place to conduct business.



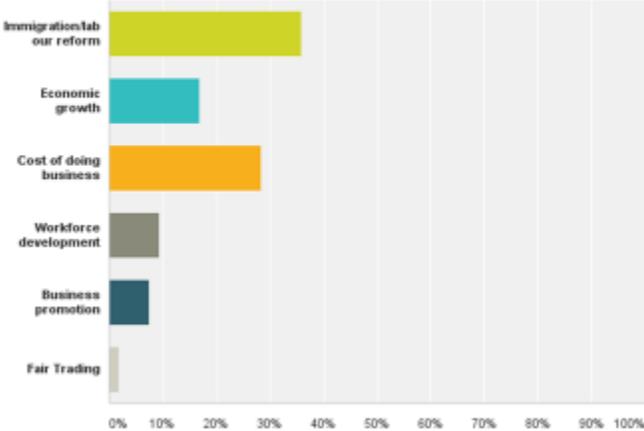
APPENDICES

Appendix A: Slides from the Participation Survey Results presentation.



Q11 If you had to select only one of the issues below that you would like to Chamber Council to focus on, what would it be?

Answered: 53 Skipped: 0



SUPPORT. PROMOTE. PROTECT



35.85% of respondents would like to see the Council focus on **Immigration/Labour Reform**

28.30% of respondents would like to see the Council focus on **Cost of Doing Business**

SUPPORT. PROMOTE. PROTECT

Appendix B: Companies who participated in the focus groups (listed alphabetically).

COMPANY NAME	NUMBER OF EMPLOYEES
Al La Kebab	35
AndroGroup Ltd.	100
Animal House	5
Blacktower FM	4
Bodden Holdings Ltd.	61 (from Chamber member companies)
Broadhurst LLC	12
Cayman Automotive	10
Cayman Business Machines	25
Cayman Islands National Credit Bureau	4
Chatterbox Ltd.	4
CML Offshore Recruitment	25
Comfort Suites	34
Davenport Development Ltd.	15
Endless Energy (Cayman) Ltd.	3
Foster's IGA	560
Kensington Management	32
Liquid Life	1
Marine Surveyors Cayman	2
Marriott Beach Resort Grand Cayman	324
MUFG	160
One TradeX	2
Phoenix Ltd.	60
Ritz Carlton Grand Cayman	800
The Security Centre Ltd.	232
Vision Quest Management	1



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