

BELIZE**No. HR25/1/11****HOUSE OF REPRESENTATIVES****Friday, 13th March, 2015****10:17 A.M**

Members Present:

The Hon. Michael Peyrefitte, Speaker
 The Hon. Dean O. Barrow (Queen's Square), Prime Minister, Minister of Finance and Economic Development
 The Hon. Gaspar Vega (Orange Walk North), Deputy Prime Minister, Minister of Natural Resources and Agriculture
 The Hon. Erwin R. Contreras (Cayo West), Minister of Trade, Investment Promotion, Private Sector Development and Consumer Protection
 The Hon. Patrick J. Faber (Collet), Minister of Education, Youth and Sports
 The Hon. Michael Finnegan (Mesopotamia), Minister of Housing and Urban Development
 The Hon. Manuel Heredia Jr. (Belize Rural South), Minister of Tourism and Culture
 The Hon. Anthony Martinez (Port Loyola), Minister of Human Development, Social Transformation and Poverty Alleviation
 The Hon. John Saldivar (Belmopan), Minister of National Security
 The Hon. Wilfred P. Elrington (Pickstock), Attorney General and Minister of Foreign Affairs
 The Hon. Rene Montero (Cayo Central), Minister of Works and Transport
 The Hon. Pablo S. Marin (Corozal Bay), Minister of Health
 The Hon. Santino Castillo (Caribbean Shores), Minister of State in the Ministry of Finance and Economic Development
 The Hon. Hugo Patt (Corozal North), Minister of State in the Ministry of Natural Resources and Agriculture
 The Hon. Herman Longworth (Albert), Minister of State in the Ministry of Education, Youth and Sports
 The Hon. Mark King (Lake Independence), Minister of State in the Ministry of Human Development, Social Transformation and Poverty Alleviation
 The Hon. Edmond G. Castro (Belize Rural North), Minister of State in the Ministry of Works and Transport, Deputy Speaker
 The Hon. Omar Figueroa (Cayo North), Minister of State in the Office of the Prime Minister
 The Hon. Francis Fonseca (Freetown), Leader of the Opposition
 The Rt. Hon. Said Musa (Fort George)
 The Hon. John Briceño (Orange Walk Central)
 The Hon. Florencio Marin Jr. (Corozal South East)
 The Hon. Michael Espat (Toledo East)
 The Hon. Julius Espat (Cayo South)
 The Hon. Dolores Balderamos Garcia (Belize Rural Central)
 The Hon. Rodwell Ferguson (Stann Creek West)
 The Hon. Oscar Requena (Toledo West)
 The Hon. Ivan Ramos (Dangriga)
 The Hon. Jose Mai (Orange Walk South)
 The Hon. Ramiro Ramirez (Corozal South West)

Members Absent:

The Hon. Elvin Penner (Cayo North East)
 The Hon. Marco Tulio Mendez (Orange Walk East)
 MR. SPEAKER in the Chair.

PRAYERS by Pastor Conrad Arzu.

ANNOUNCEMENT BY THE SPEAKER

MR. SPEAKER: Honourable Members, it has been presented to me that there are vacancies for Membership in the following Committees:-

1. Public Utilities, Transport and Communications Committee;
2. Education, Sports and Housing Committee;
3. Natural Resources and Environment Committee;
4. Tourism, Archaeology and Information Committee; and
5. Ombudsman Reports Committee of the House of Representatives.

Pursuant to Standing Order 73, the Committee of Selection, comprising of Honourable Michael Finnegan, Chairman, Honourable Wilfred Elrington, Honourable Edmond Castro, Honourable Santino Castillo, Honourable Florencio Marin Jr., and Honourable Dolores Balderamos Garcia, is charged with the task to recommend to the House the names of Members to serve on each Standing Committee.

Therefore, I propose, with the concurrence of the House, to suspend the Sitting to enable the Committee of Selection to consider and report to the House on the appointment of Members to fill the vacancies in the Committees as listed above.

All those in favour, kindly say aye; those against, kindly say no. I think the ayes have it.

The Meeting suspended

The Meeting resumed

PRESENTATION OF REPORT FROM COMMITTEE

HON. M. FINNEGAN (Minister of Housing and Urban Development):
 Mr. Speaker, I want to report from the Committee of Selection on the appointment of Members to fill the vacancy of Chairmanship, as well as a Member in the Public Utilities, Transport and Communications Committee. And also, to fill the vacancies for membership in the Education, Sports and Housing Committee; the Natural Resources and Environment Committee; the Tourism, Archaeology and Information Committee; and the Ombudsman Reports Committee of the House of Representatives.

Your Committee held its meeting and have agreed to the following:

The Honourable Omar Figueroa filled the vacancy as Chairman and the Honourable Ramiro Ramirez, as a member in the Public Utilities, Transport and Communications Committee.

And also that the Dr. Omar Figueroa, filled the vacancy of membership in the Education, Sports and Housing Committee, the Natural Resources and Environment Committee and the Ombudsman Reports Committee of the House of Representatives.

MR. SPEAKER: Honourable Members, that Report is ordered to lie on the Table.

PUBLIC BUSINESS

A.

GOVERNMENT BUSINESS

I MOTION

1. Adoption of the Report from of Committee of Selection Motion, 2015.

HON. M. FINNEGAN (Minister of Housing and Urban Development): We, now, move, Mr. Speaker, BE IT RESOLVED that the Report from the Committee of Selection on the Appointment of Members to fill the vacancy of Chairmanship, as well as a Member, in the Public Utilities, Transport and Communications Committee; and also, to fill the vacancies of membership in the Education, Sports and Housing Committee; the Natural Resources and Environment Committee, the Tourism, Archaeology and Information Committee; and the Ombudsman Reports Committee of the House of Representatives, be adopted.

MR. SPEAKER: Honourable Members, the question is, BE IT RESOLVED that the Report from the Committee of Selection on the Appointment of Members to fill the vacancy of Chairmanship, as well as, a Member, in the Public Utilities, Transport and Communications Committee, and also, to fill the vacancies of membership in the Education, Sports and Housing Committee; the Natural Resources and Environment Committee; the Tourism, Archaeology and Information Committee; and the Ombudsman Reports Committee of the House of Representatives, be adopted.

All those in favour, kindly say aye; those against, kindly say no. I think the ayes have it.

PAPERS

HON. D. BARROW (Prime Minister and Minister of Finance and Economic Development): Mr. Speaker, I rise to lay on the Table Sessional Papers:

No. HR258/1/11 - Draft Estimates of Revenue and Expenditure for Fiscal Year 2015/2016.

No.HR258A/1/11 - Supplementary Appropriation (No.2) Schedule for Fiscal Year 2014/2015.

No. HR259/1/11 - Financial Statements for the Years Ended December 31, 2013, and 2012, an Actuarial Review of the Social Security Scheme - 2014.

No. HR259A/1/11 - The Fourteenth Annual Report of the Ombudsman of Belize for the year 2014.

No. HR259B/1/11 - Central Bank of Belize Estimates of Revenue and Expenditure for Fiscal Year 2015.

No. HR259C/1/11 - Report of the Auditor General for the Year April 2011 to March 2012.

MR. SPEAKER: Honourable Members, Sessional Papers No. HR258/1/11 and No. 258A/1/11 are referred to the Committee of Supply for examination, consideration and report. Sessional Papers No. HR259/1/11, HR259B/1/11 and HR259C/1/11 are ordered to lie on the Table, and Sessional Paper No. HR259A/1/11 is referred to the Ombudsman Reports Committee for examination, consideration and report.

PRESENTATION OF REPORTS FROM COMMITTEE

HON. J. SALDIVAR (Minister of National Security): My apologies for being late, Mr. Speaker. I rise to present the Report from the Finance and Economic Development Committee on the Write-Off (No.2) Motion, 2015, referred by the House of Representatives on the 19th January, 2015. Also, the Report from that Committee on Write-Off (No.1) Motion, 2015, also referred by the House of Representatives on the 19th January, 2015. In considering the matters referred to them your Committee held its meeting on January 26, 2015, your Committee considered the Motions and has agreed that they be returned to the House for adoption.

Copy of the minutes of the proceedings of this meeting held is attached and forms part of this report.

MR. SPEAKER: Honourable Members, those Reports are ordered to lie on the Table.

ANNOUNCEMENT BY THE SPEAKER

MR. SPEAKER: Honourable Members, with the consent of the House, I propose to vary the order of the Sitting today to allow the Introduction of Bills at item 12 on the order paper to be taken after the Committee of Supply at item 14. This is to allow the introduction of the General Revenue Supplementary Appropriation Bill for the Financial Year 2014/2015, which, according to Standing Orders 71 of the House, cannot be introduced until the proposals have been approved by the Committee of Supply and agreed to by the House.

I therefore propose that the House resolve into a Committee of Supply under item "Government Business".

Is that the wish of the Honourable Members that the order be varied as suggested?

All those in favour, kindly say aye; those against, kindly say no. I think the ayes have it.

PUBLIC BUSINESS

A.

GOVERNMENT BUSINESS

I COMMITTEE OF SUPPLY

MR. SPEAKER: Honourable Members, the House will now resolve into a Committee of Supply under the Chairmanship of the Honourable Prime Minister as Minister of Finance. In accordance with Standing Order 65, the deliberations of this Committee shall not take place in public.

I ask the visitors in the galleries to kindly excuse us. You, of course, may return after the Committee of Supply has concluded its business.

All those in favour, kindly say aye; those against, kindly say no. I think the ayes have it.

Mr. Speaker left the Chair.

[In the Committee]

1. Supplementary Appropriation (No. 2) Schedule for Fiscal Year 2014/2015.

The Honourable Prime Minister and Minister of Finance, and Economic Development moved:

That the Committee approves the proposal set out in Sessional Paper No. HR258A/1/11 referred to the Committee of Supply.

Question put and agreed to.

THE HOUSE RESUMED.

II MOTIONS

1. Supplementary Appropriation Schedule for Fiscal Year 2014/2015 Motion, 2015.

HON. D. BARROW (Prime Minister and Minister of Finance and Economic Development): Mr. Speaker, I move that the Committee of Supply having met and approved the proposal set out in the Sessional Paper No. HR258A/1/11 – Supplementary Appropriation (No.2) Schedule for Fiscal Year 2014/2015.

I now seek the indulgence of this Honourable House to agree with the proposal approved by the Committee of Supply.

MR. SPEAKER: Honourable Members, the question is, that the House agrees with the proposal approved by the Committee of Supply for Supplementary Appropriation Schedule for Fiscal Year 2014/2015 Motion, 2015.

All those in favour, kindly say aye; those against, kindly say no. I think the ayes have it.

2. Write-Off (No.1) Motion, 2015.

HON. D. BARROW (Prime Minister and Minister of Finance and Economic Development): Mr. Speaker, this is Write-Off (No.1) Motion, 2015,

with your permission not to repeat the recitals, I move, NOW, THEREFORE, BE IT RESOLVED that the House approve the write-off of \$14,647.21 as a loss to the Government of Belize.

MR. SPEAKER: Honourable Members, the question is, NOW, THEREFORE, BE IT RESOLVED that the House approve the write-off of \$14,647.21 as a loss to the Government of Belize.

All those in favour, kindly say aye; those against, kindly say no. I think the ayes have it.

3. Write-Off (No.2) Motion, 2015.

HON. D. BARROW (Prime Minister and Minister of Finance and Economic Development): Mr. Speaker, this is Write-Off (No.2) Motion, 2015, again, with your permission not to repeat the recitals, I move, NOW, THEREFORE, BE IT RESOLVED that the House approve the write-off of \$30,000.00 as a loss to the Government of Belize.

MR. SPEAKER: Honourable Members, the question is, NOW, THEREFORE, BE IT RESOLVED that the House approve the write-off of \$30,000.00 as a loss to the Government of Belize.

All those in favour, kindly say aye; those against, kindly say no. I think the ayes have it.

4. The Kuwait Fund for Arab Economic Development Rehabilitation of Hummingbird Highway Project Loan Motion, 2015.

HON. D. BARROW (Prime Minister and Minister of Finance and Economic Development): Mr. Speaker, this is the Kuwait Fund for the Arab Economic Development Rehabilitation of the Hummingbird Highway Project Loan Motion, 2015.

Mr. Speaker, I move, WHEREAS, the Kuwait Fund for Arab Economic Development (hereinafter referred to as “the Kuwait Fund”) provides support to Arab and other developing countries by providing concessionary financing and technical assistance for implementation of key development projects and programmes;

AND WHEREAS, the Government of Belize has requested assistance from the Kuwait Fund in the financing of the Rehabilitation of the Hummingbird Highway Project (hereinafter referred to as “the Project”);

AND WHEREAS, this Project comprises of the Rehabilitation of the Hummingbird Highway with of a total length of 55 miles, consisting of two lanes, a width of about 23 feet and shoulders of about 5 feet on each side, and includes improved drainage, new pavement layers, and the replacement of several single lane bridges with double width ones, as well as, safety provisions and new signage on the Highway;

AND WHEREAS, the total cost of the Project is estimated at Seventy-five point one million (BZ\$75.1 million) Belize Dollars;

AND WHEREAS, the Fund has approved an offer of a Loan in the

amount of Four Million (4.0 million) Kuwait Dinars equivalent to approximately US\$13.5 Million to the Government of Belize to assist in the financing of this Project;

AND WHEREAS, the approved funding will be used to finance: 40% of the amount needed for the civil works and 100% of the amount needed for the Technical Assistance and Institutional Support required under the Project;

AND WHEREAS, it is expected that the OFID Fund will make a loan of US\$12.0 million to the GOB to cover a further 32% of the total project cost and that the GOB will cover the remaining 28% of the project costs through counterpart resources;

AND WHEREAS, the terms and conditions of the Kuwait Fund Loan Offer are as follows:

Lender:	The Kuwait Fund for Arab Economic Development;
Loan Principal Amount:	Kuwait Dinars 4.0 million (or approximately US\$13.5 million);
Disbursement Schedule:	Withdrawals shall be made from time to time up to December 31, 2018;
Loan Term:	Twenty –four (24) years in total including Grace Period;
Grace Period:	Four (4) years from the Date of the Loan Agreement;
Repayment Period:	Repayment in forty (40) semi-annual installments commencing July 15, 2018;
Purpose:	To rehabilitate 55 miles of the Hummingbird Highway, to reduce travel times, and vehicle operating and road maintenance costs;
Rate of Interest:	At a rate of two percent (2.0%) per annum on the principal amount withdrawn and outstanding and payable semi-annually on January 15, and July 15, in each year;
Service Charge:	At a rate of one half of one percent (1/2%) per annum on the principal amount of the Loan withdrawn and outstanding payable semi-annually on January 15, and July 15, in each year;

AND WHEREAS, under the provisions of section 7 of the Finance and Audit (Reform) Act 2005, the Government of Belize is required to obtain the prior authorization of the National Assembly, by way of a Resolution, for such a borrowing;

NOW, THEREFORE, BE IT RESOLVED that this Honourable House, being satisfied that the loan proceeds would significantly contribute to the economic and social development of Southern Belize by improving the condition of the Hummingbird Highway, and addressing the increasing demand for the transportation of goods and services in the area, thereby promoting trade and business, approves and confirms that the Government of Belize may enter into a Loan Agreement with the Kuwait Fund for Arab Economic Development on the term and conditions set out above, and further authorizes the Minister of Finance to execute and deliver the said Loan Agreement and all other documents associated therewith.

This Motion has the recommendation of the Cabinet.

MR. SPEAKER: Honourable Members, that Motion is referred to the Finance and Economic Development Committee for examination, consideration and report.

HON. D. BARROW (Prime Minister and Minister of Finance and Economic Development): Mr. Speaker, I seek the indulgence of the Honourable House to have this Motion be taken through all its stages this day.

MR. SPEAKER: Honourable Members, the question is that this Motion be taken through all its stages this day.

All those in favour, kindly say aye, those against kindly say no. I think the ayes have it.

5. Central American Bank for Economic Integration (CABEI) – Belize Integral Security Program - Loan Motion, 2015.

HON. D. BARROW (Prime Minister and Minister of Finance and Economic Development): Mr. Speaker, this the Central American Bank for Economic Integration (CABEI) – Belize Integral Security Program - Loan Motion, 2015.

Mr. Speaker, I move WHEREAS, Belize being a member of the Central American Bank for Economic Integration (CABEI), is eligible for development assistance in the form of loans, grants and technical assistance from the Bank on such terms and conditions as may be agreed between Belize and the Bank from time to time;

AND WHEREAS, the Government of Belize has requested assistance from CABEI to finance the Belize Integral Security Program, the overall objective of which is to support the betterment of the quality of life for Belizeans and support regional efforts for the prevention, reduction and combat of crime;

AND WHEREAS, the key goal of the Belize Integral Security Program is to strengthen citizen security by providing support to those institutions directly linked to maintaining National Security;

AND WHEREAS, the Board of Directors of CABEI has approved financing in the sum of US \$30,000,000;

AND WHEREAS, the approved CABEI financing will be used for investments in infrastructure and equipment for the Belize Defense Force, Belize Police Department, Belize Coast Guard and the National Forensic Sciences Service, including construction works, refurbishing and improvement of existing buildings as well as the supply of specialized technical equipment, surveillance and monitoring equipment, mobilization equipment, etc., for these institutions;

AND WHEREAS, the terms and conditions of the CABEI Loan Offer are as follows:

Lender:	The Central American Bank for Economic Integration;
Loan Principal Amount:	US \$30,00,000.00;
Disbursement Schedule:	Withdrawals shall be made from time to time beginning with the effective date of the loan and ending five years thereafter;
Loan Term:	Fifteen (15) years inclusive of a three year grace period, starting from date of first disbursement;
Repayment Period:	To be repaid in equal, semi-annual and consecutive installments in the amounts and dates determined by CABEI;
Purpose:	To strengthen citizen security in Belize by providing support and enhancing the capabilities to key institutions linked to maintaining National Security;
Rate of Interest:	6-month LIBOR + a 355 basis point spread set by CABEI;
Other Charges:	A Supervision and Administration Commission of one quarter of one percent (0.25%) on loan amount, to be paid once only, at the latest at the time of the first disbursement;

AND WHEREAS, under the provisions of section 7 of the Finance and Audit (Reform) Act 2005, the Government of Belize is required to obtain the prior authorization of the National Assembly, by way of a Resolution, for such a borrowing;_

NOW, THEREFORE, BE IT RESOLVED that this Honourable House, being satisfied that the Loan Proceeds would support the betterment of the quality of life for Belizeans and support regional efforts for the prevention, reduction and combat of crime, by up scaling Belize’s National Security, approves and confirms that the Government of Belize may enter into a Loan Agreement with the Central American Bank for Economic Integration on the terms and conditions set out

above, and further authorizes the Minister of Finance to execute and deliver the said Loan Agreement and all other documents associated therewith.

This Motion has the recommendation of the Cabinet.

MR. SPEAKER: Honourable Members, that Motion is referred to the Finance and Economic Development Committee for examination, consideration and report.

HON. D. BARROW (Prime Minister and Minister of Finance and Economic Development): Mr. Speaker, I seek the indulgence of the Honourable House to have this Motion be taken through all its stages this day.

MR. SPEAKER: Honourable Members, the question is that this Motion be taken through all its stages this day.

All those in favour, kindly say aye; those against kindly say no. I think the ayes have it.

6. Alba Petrocaribe Belize Energy Limited Loan Motion, 2015.

HON. D. BARROW (Prime Minister and Minister of Finance and Economic Development): Mr. Speaker, this is the Alba Petrocaribe Belize Energy Limited Loan Motion, 2015. And I will not seek to have this taken through all its stages this day.

Mr. Speaker, I move, WHEREAS, in June 2005, the Republic of Venezuela and several Caribbean countries (including Belize) entered into an Energy Cooperation Agreement providing for the establishment of PETROCARIBE;

AND WHEREAS, in furtherance of the said Energy Cooperation Agreement, Venezuela and Belize entered into a bilateral Energy Cooperation Agreement in September 2005;

AND WHEREAS, pursuant to Article 1 of the said bilateral Energy Cooperation Agreement, Venezuela agreed to supply to Belize crude oil, refined products and Liquid Petroleum Gas (LPG) up to four thousand barrels per day (4,000 bpd) on an annual basis, and designated Petroleos de Venezuela SA (PDVSA) to supply the said petroleum products subject to certain terms and conditions;

AND WHEREAS, to facilitate the supply of petroleum products, Belize and Venezuela established a joint venture company, ALBA Petrocaribe Belize Energy Limited (APBEL), consisting of the Venezuelan state owned enterprise, PDV Caribe, and the Government of Belize (GOB) owned company, Belize Petroleum and Energy Limited (BPEL);

AND WHEREAS, APBEL has been jointly designated by Belize and Venezuela as the importing entity in Belize, for petroleum products purchased from PEREVESA;

AND WHEREAS, under the terms of the said Agreements, the supplies of petroleum products to Belize would consist of two portions, namely, a cash portion and a financed portion, in the ratio of approximately fifty percent each;

AND WHEREAS, in September 2012, GOB and APBEL signed a revised loan agreement setting out the terms for lending the financed portion to the GOB;

AND WHEREAS, under the terms of the said Agreements, the cash portion is payable to PDVSA by APBEL within 90 days of importation and the financed portion is lent by APBEL to GOB on concessionary terms, payable over 25 years at one percent (1%) interest per annum;

AND WHEREAS, in November 2014, this Honourable House approved GOB borrowing from APBEL in the total sum of US \$114,307,356 covering the period September 2012, to August 2014;

AND WHEREAS, during the period September 2014, to February 2015, APBEL lent to the GOB a further sum of US \$28,776,243.39;

AND WHEREAS, the main terms and conditions of these further borrowings were as follows:

Repayment Term:	23 equal annual installments over 25 years, inclusive of two years grace period;
Rate of Interest:	1% per annum payable on the outstanding balance from time to time;

AND WHEREAS, the purpose of the borrowings was principally to finance capital projects, including the construction and rehabilitation of streets and road infrastructure countrywide; to finance the construction of sporting facilities; and to provide social and community assistance to the poor and the socially marginalized in accordance with GOB's social and economic programmes;

AND WHEREAS, section 7(2) of the Finance and Audit (Reform) Act, 2005, provides that any agreement effecting borrowing by the Government over or above the amount of ten million dollars, (BZ \$10.0 million), or the aggregate amount of borrowings in any fiscal year exceeding the amount of ten million dollars, shall require a Resolution of the National Assembly authorizing such borrowing;

NOW, THEREFORE, BE IT RESOLVED that this Honourable House, being satisfied that the loan proceeds from APBEL, on the terms and conditions set out above, would greatly assist the GOB in achieving the aforesaid purposes, confirms and validates the borrowing by the GOB from APBEL of the total sum of US\$28,776,243.39 during the period September 2014 to February 2015.

This Motion has the recommendation of the Cabinet.

MR. SPEAKER: Honourable Members, as indicated by the Prime Minister the mover of the Motion, will not go through all its stages today, but the Motion would be referred to the Finance and Economic Development Committee for examination, consideration and report for debate at a later date.

7. Official Charities Fund Motion, 2015.

HON. D. BARROW (Prime Minister and Minister of Finance and Economic Development): Mr. Speaker, this is the Official Charities Fund Motion, 2015. I move the OFFICIAL CHARITIES FUND MOTION, 2015.

BE IT RESOLVED THAT this House approves the expenditure of

\$2,352,589 from the Official Charities Fund as detailed in Appendix A of the Draft Estimates of Revenue and Expenditure for the year ending 31st March 2016.

This Motion has the recommendation of the Cabinet.

MR. SPEAKER: Honourable Members, that Motion is referred to the Committee of Supply for examination, consideration and report.

STATEMENT BY MINISTERS

HON. D. BARROW (Prime Minister and Minister of Finance and Economic Development): Mr. Speaker, I wish to read this statement into the records. By now, the entire nation is aware of the confession recorded in the voice of the former Leader of the Opposition and current Member for Orange Walk Central. A confession as to the massive corruption and unmatched thievery of the Musa/Fonseca Administration of 1998-2007. It says, of course, the same administration in which the confessor served as Deputy Prime Minister for ten long years.

Mr. Speaker, that confession, in all its sickening detail provoked immediate disgust. And now, that disgust has been followed by outrage. Outrage because the current Leader of the Opposition has told the media and the country, to back off. The matter, he says, is private PUP business. (Applause)

Mr. Speaker, how in God's name can the robbery of millions and millions from the public purse be private PUP business. Those tens of millions were for the people belonged to every man, woman and child in this land. (Applause) Thousands of jobs could have been created with the millions that vanished in the BTL/ INTELCO scam. Tens of thousands of deserving family members could have had homes built from the other millions lost in the Galleria Maya hustle. (Applause) And the rest of the millions that disappeared from SSB and DFC, could have funded improved pension benefits for workers and social and medical care for all.

Mr. Speaker, the position of the PUP and the Leader of the Opposition in response to the testimony of the tape is itself, a confession. It is a confession that the People's United Party has not changed one bit (Applause) since being booted from office. For they speak now in exactly the same way they behaved then. During their ten years, they indeed, acted as though the nation's business and the nation's money, were exclusively the PUP's business and PUP's money. (Applause) And as though, carving up and parceling out the country's wealth, was, indeed, an internal party matter, whether that wealth, was cash, loans, contracts, shares, concessions, or exemptions.

I had earlier said that our two-party system requires respect for the Opposition. But to get respect you have to give respect. (Applause) And if this insult to Belizeans continues any longer, the Opposition will forfeit all entitlement to any respect. On behalf of our democracy, on behalf of Belize, I, therefore, call on the Leader of the Opposition to reverse course, to stop this stonewalling, to halt the cover-up. He must address immediately, fully and publicly, the comprehensive, wholesale indictment of the PUP by its immediate pass leader. (Applause) Belizeans demand answers to the specifics of all the charges. The disclosures after all, are made by one who was there at the top occupying a vantage point for which he saw, couldn't miss, and has now documented every last piece of the PUP dung heap, its mountain of stench and corruption. (Applause)

And it is not as though, Mr. Speaker, the Member for Orange Walk Central is estranged from his party. He hasn't been kicked out or suspended; it is not as though he is bent on revenge. Despite the humiliation of Wednesday, when he was made to stand beside the current Leader of the Opposition and the ex Prime

Minister, who accused him of being in effect mentally ill. Despite the Member for Cayo South, posting on facebook that he is a liar. The immediate pass leader, the Member for Orange Walk Central, has not retracted one iota of confession. (Applause) And he remains a key executive of the party number 3 in the hierarchy, and cannot be sanctioned because he is telling the truth. (Applause)

So, Mr. current Opposition Leader, do not further dirty your office, do not further sully your person. You heard the pastor, this morning make the point. You occupy a critical position under the Constitution of this country, and your obligations to speak now and come clean are clear. Either discharge those obligations and do your duty, or stand condemned forever before the bar of Belizean history. (Applause) can I have a short break before we do the introduction of the Bills.

MR. SPEAKER: The House will now for about 5 minutes or 10 minutes before the reading of the Budget and the Introduction of Bills.

INTRODUCTION OF BILLS

1. General Revenue Appropriation (2015/2016) Bill, 2015.

HON. D. BARROW (Prime Minister and Minister of Finance and Economic Development): Mr. Speaker, I rise to introduce a Bill for an Act to appropriate certain sums of money for the use of the Public Service of Belize for the financial year ending March 31, 2016.

Mr. Speaker, this Bill has the recommendation of the Cabinet.

MR. SPEAKER: Honourable Members, the question is that the Bill for an Act to appropriate certain sums of money for the use of the Public Service of Belize for the financial year ending March 31, 2016, be read a first time.

All those in favour, kindly say aye, those against, kindly say no. I think the ayes have it.

BILL READ A SECOND TIME BILL READ A SECOND TIME

HON. D. BARROW (Prime Minister and Minister of Finance and Economic Development): Mr. Speaker, I rise to move the second reading of the General Revenue Appropriation Bill for Fiscal Year 2015/2016.

This, Mr. Speaker, is the 8th Budget in the current cycle of the UDP governance. And it is one that is presented in very special circumstance. It comes, after all, barely a week after the resounding UDP victory in the countrywide Municipal elections. (Applause) That victory in turn represents a massive reaffirmation of confidence in the programs, policies and economic and political stewardship of this administration. In that context it is a joy to bring to the House, and the nation a 2015/2016 budget that will ultimately be the implementation vehicle for those now imperishably popular national watchwords: the transformation continues! (Applause)

Before I get into the details of the Estimates, Mr. Speaker, a word of clarification. First off, this will be the shortest budget speech I have ever read. And it is for the reason that a great deal of what traditionally makes its way into

the oral presentation, is now confined to the Annex to the Speech. That Annex, titled "Review of the Economy, 2014", is attached to the printed copy of the Speech that each Member is given. It is in fact organic to, and an integral part of, the Speech. It is just that in order to spare the House and the nation the accustomed, though not necessarily appreciated, extended voice presentation, I will not read the Annex. It will, though, also be circulated to the general public.

The second point to make is that while this United Democratic Party Government fully expected to win last week, we could hardly have imagined, let alone properly planned for, the scale of the victory. To some extent, then, the calculations set out in this budget have already been confounded. Politics is never a business of certainty. And the public officers that strive to do the best job possible in preparing the estimates could not have been asked to proceed on the basis of an uncertain, though anticipated, electoral triumph. But that triumph, in all its sweeping breadth, is now a fact of life. And there are clear financial implications for what happened last Wednesday. To take the two obvious examples, the citizens of Dangriga and Punta Gorda have a right to expect immediate relief from the punishing effects of the maladministration inflicted upon them by the outgoing PUP Town Councils. (Applause) Among other things, it will take central government money to assist in their return to progress.

Also, in every other municipality that the UDP held there were huge advances in the support we already enjoyed. In Belmopan and San Ignacio/Santa Elena, to mention just a couple, there were UDP gains of 16.3 and 11 percentage points respectively. And overall the UDP polled 59 percent of the popular vote. This was a percentage point better than 2006, when 58 percent then was a precursor to the UDP's general election blowout victory two years later. It doesn't take an expert, a psephologist, to be stuck now by the parallels and their implications for 2017.

What does all this means, Mr. Speaker, is that we cannot disappoint those that did not disappoint us. They came 'all in' on our great transformation enterprise after we promised that the tide would be fully at the flood. Now we must not let them down as they did not let us down. (Applause) And the rural areas, though not in play last Wednesday, also need to inherit their share of the kingdom, come as equal participants into this time of plenty. (Applause)

The upshot is, Mr. Speaker, that I serve notice right now that I expect to come back to this House with a mid-year supplementary. For what I present today cannot long survive the tectonic shift caused by last week's results. And so I declare now that the political muscularity of the voters must be matched by the spending muscularity of the government. (Applause) And the appointment with a historic destiny that these elections presaged will, I swear, be fully kept by this United Democratic Party. (Applause)

So with that caveat let me turn now to the details of the 2015/2016 Budget.

FISCAL PERFORMANCE

For Fiscal Year 2014/2015, the Central Government is projecting a primary deficit of \$50 million, the equivalent of 1.5 percent of GDP; and an overall deficit of \$141 million or 4.1 percent of GDP.

The projected primary deficit cannot escape the scrutiny provoked by its comparison with the budgeted surplus of 1.1 percent of GDP. And in the same vein the projected overall deficit is almost 2.5 percentage points greater than the

initial estimate of negative 1.6 percent of GDP. Of course, there is a reason for this. And that reason simply is that the UDP political directorate is unrelenting in its mission. And that mission, we are happy to tell the world, is to infrastructurally overhaul our country. (Applause) To increase social assistance and protect the poor; to create jobs; and improve the quality of life for every single Belizean man, woman and child. (Applause) We must spend in order to do this. We must lighten the heavy load of fiscal consolidation in order to do this. We must take full advantage of the opportunity to borrow at 1.0 percent interest, below even the rate of inflation, in order to do this. We must sidestep the oppressive orthodoxy of "statistics, damn statistics" and focus clearly, on the flesh and blood uplift of our people, in order to do this. (Applause)

Thus it is, Mr. Speaker, that in the climate of a sound economy where GDP growth is 3.6% and unemployment fell by 10 percent, the UDP will bypass metrics rooted in dogma and continue with the policies that have produced the unprecedented progress of the last two years.

But back to the figures. Total revenue and grants are projected to be \$959 million, or some \$3 million above budget. This is notwithstanding the decreases in revenues from declining local petroleum production, and the sharp tax fall attendant upon the precipitous drop in the price of imported fuels in the latter months of the fiscal year. Thankfully, revenues from the Shipping and the International Business Companies Registries, which were the key drivers of the heightened revenue performance in the previous fiscal year, were stable this year and in line with the budget estimates.

On the Expenditure side, total expenditure for FY 2014/15, is projected at \$1.1 billion, which is \$89 million above budget. Current expenditure increased by \$20 million, attributed mainly, to the hike in Personal Emoluments, following the 2014 salary rises for public officers and teachers. Here again, it is a cost well worth absorbing.

Development expenditure also increased by almost \$69 million above the budgeted figures. Once more I need to reiterate: this huge rise in development expenditure was a result of the Government's decided and deliberate policy to invest massively in infrastructure, particularly in upgrading streets and drains in Belize City, Belmopan City, and all district towns. Also, on the social side, we considered it an imperative to provide access, through the National Bank, to lower-cost financing for mortgage lending. All this as part of our new compact with our citizens, the totality of which is aimed at advancing growth, increasing employment, and taking Belizeans to a better place. (Applause)

In bulking up the capital spending, there was an outlay of \$33 million on road rehabilitation countrywide; \$11 million for the Lake Independence Boulevard Site Development and Chetumal Street bridge in Belize City; \$7 million in sports facilities through GOB's special purpose implementing agency, Belize Infrastructure Ltd.; and an additional \$20 million for equity in that jewel in our crown, the National Bank of Belize.

The deficit of \$141million was financed by various loan sources, including \$33 million from the multi-lateral lenders and \$72 million in draw-downs of Petrocaribe financing. Those that study debt profiles will note that once again, for the eighth consecutive time, no commercial borrowing was undertaken during the year. Also, we have cut the average interest on the debt stock by a third since 2008.

Our debt strategy has been complemented by our fiscal strategy, which has

been to contain current expenditure to within the budgeted figures excepting for the agreed salary increases for staff and teachers. On the other hand, we consciously stimulate growth and employment by stepping up capital expenditure on, inter alia, infrastructure development. So government has been careful not to expand current expenditure above current income. And on the capital side we have selected one-off programs that have a well defined implementation beginning and end.

Therefore, Mr. Speaker, if we were to set aside this one-off spending for a moment, the recalculated primary balance would be in surplus equivalent to 0.09 percent of GDP and the recalculated overall deficit would be 2.57 percent of GDP. The point being, Mr. Speaker, that our core numbers are absolutely sustainable. But for as long as Petrocaribe lasts, (Applause) we will take full advantage of this extraordinary opportunity gifted us by Venezuela, to engage in this extraordinary (people-centered) spending. (Applause) But inherent in our approach is the recognition of, and preparation for, the fact that there will come a time when we will quickly need to return to regular budgeting and spending but long may that time be postponed.

PETROCARIBE FINANCING

Mr. Speaker, those at home and abroad that have been confounded by our Petrocaribe windfall, which this administration unlocked continue to fix their baleful eye on the arrangements. Well there is both a motion which we read out earlier and a supplementary on today's agenda that fully detail our inflows and outgoings. I consider it useful at this point to set out an overview. Via this Government's restart of the purchase of petroleum products from Venezuela under the Petrocaribe Energy Cooperation Agreement in late 2012 and up until February 2015, the country of Belize, working through the APBEL (ALBA Petrocaribe Belize Ltd), has imported US\$238 million worth of refined fuel products from Venezuela.

Under the terms of the Agreement, which provides for long term financing of a greater or smaller proportion of the cost of these imports depending on the world market prices, the Government of Belize has borrowed from APBEL a total of US\$143 million (or some BZ\$286 million) during this same period. The main terms and conditions under which these funds were borrowed included a rate of interest of only 1.0 percent per annum and a repayment term of 25 years inclusive of a two-year grace period. During this grace period the interest itself is capitalized.

Because this grace period is still in effect, the GOB has not so far had to make any debt payments (neither principal nor interest on these loans). But, commencing this year, interest and repayment will begin to fall due. To provide for such payments, there is an allocation of BZ\$4 million in the budget.

Of the BZ\$286 million borrowed under the Agreement, the GOB has drawn down some \$126 million to finance various capital programs over two fiscal years (FY 2013/2014 and FY 2014/2015), leaving a current balance of \$160 million in a special account in the Central Bank. These fluctuating balances have been used to bolster our official foreign reserves to a historically high level of \$974 million at end 2014.

The \$126 million drawn down has been used to finance the following projects and programs over the two fiscal years:

Projects/Programs Financed By Petrocaribe Inflows	
Project or Program	Bz\$ million
Equity in the National Bank of Belize	30.0
Upgrading & Rehabilitation of Streets in District Towns	25.4
Upgrading & Rehabilitation of Streets in Belize City	15.0
New Infrastructure (Lake I Blvd. and Landfill & Chetumal Street Bridge) in Belize City	11.0
Social Support & Community Assistance	13.0
Purchase of Property & Equipment	7.1
Sporting Facilities	5.0
Maintenance of Main Roads & Highways	4.7
Counterpart Expenditure to Other Capital Projects	14.8
Total	126.0

Appropriations for the spending were approved largely through supplemental bills including some \$46 million in Fiscal Year 2013/14, and a further \$72 million (in two parts) in Fiscal Year 2014/15.

I repeat that by this means is necessary as by its very nature, the exact flow of Petrocaribe financing is unknowable other than ex post facto. It is therefore impossible to make budgetary commitments to projects and programs at the start of a financial year before actually securing these Petrocaribe Funds.

ECONOMIC ENVIRONMENT

Mr. Speaker, as it looks ahead into the rest of 2015, the Central Bank of Belize conservatively expects GDP growth to decelerate to between 2.0 percent and 2.5 percent. They feel that the tail winds that drove the 2014 expansion will moderate. I note however, their native caution has been confounded in fact. Indeed, just last year they had forecast under 3%. As I've said we did over a full percentage point better than they estimated. (Applause)

In any case, production of the export crops (sugarcane, banana and citrus) should continue to increase, though by a smaller magnitude than in 2014. Hydro-electricity generation has been trending downward recently due to drier weather, and petroleum extraction has been on its inevitable finite decline. On the other hand, underpinned by improvement in the economies of Belize's major source markets, arrivals of stay-over tourists are projected to grow by approximately 5.0 percent, and this should lift activity across the associated service sub-sectors. A further boost will come from growth in government services as road infrastructural works aggressively continue and outlays on BIL's district sporting facilities begin to ramp up.

Inflation is expected to remain subdued at between 1.0 percent and 1.5 percent, as the lower cost of fuel in world markets should continue to suppress the prices of a wide cross-section of goods and services in the (Consumer Price

Index) basket.

The projection is for Central Government's debt to increase by \$102 million to \$2.7 billion, the equivalent of 76 percent of GDP in FY 2015/2016. External or foreign obligations make up 85 percent of the debt, while the remaining 15 percent is from domestic sources.

The 2038-Bond the super bond which we negotiated accounts for 48 percent of the external debt. The debt to Venezuela (Petrocaribe) is projected to climb to 14 percent of external debt in FY 2015/2016 from 8 percent in FY 2012/2013. But again, this is debt on such easy terms as is worth assuming without a second thought.

A total of \$177 million is earmarked in the proposed budget for debt service payments and is made up of \$86 million for Amortization and \$91 million for Interest Payments. As a comparison, interest payments at the height of PUP profligacy totaled \$266 million. (Applause)

SUMMARY OF THE DRAFT ESTIMATES FOR FISCAL YEAR 2015/2016.

Mr. Speaker, as I announced in last year's Budget Speech, program budgeting will be fully rolled out in FY 2015/16. With support from the regional Supporting Economic Management in the Caribbean (SEMCAR), several ministries have prepared work programs for the last two fiscal years within allocated ceilings and using a programming format. The annual budget estimates document for FY 2015/16 is using a similar approach and programming format for each ministry. You see that the document is much smaller. The document includes both financial estimates and performance information and describes the purpose, priorities and planned results of government expenditure for each ministry, department and agency.

UNDERLYING PRIORITIES FOR THIS BUDGET

Mr. Speaker, our priorities are similar now to those in previous years, and this underscores the fact that even as we have delivered and accomplished so very much, our march to progress is not yet complete. accordingly, with this proposed budget, my government will harness the resources of the nation to provide additional salary increases for public officers and teachers, (Applause) and to further enhance the quality of health care, education and national security. (Applause) in addition, the budget will continue the countrywide construction and reconstruction of sporting facilities, bridges, roads and highways, streets and drains.

SUMMARY ESTIMATES FOR 2015/2016

The proposed budget targets a preliminary primary balance of zero percent of GDP and an overall deficit of 2.5 percent of GDP. Total expenditure is budgeted at \$1.1 *billion* while Total Revenue and Grants are estimated at \$980 million. When taken together, this results in the projected Overall Deficit of \$88 million which is the equivalent of 2.5 percent of GDP.

To this figure we add a further \$86 million for Loan Amortization and so arrive at the Total Financing Needs of \$174 million.

Summary of Budget Estimates, FY 2014/2015 to FY 2017/2018 (Bz\$million)				
	Projected Outturn 2014/2015	D r a f t Estimates 2015/2016	FORECAS T 2016/2017	FORECAS T 2017/2018
Total Revenue and Grants	959.4	980.3	1,010.6	1,025.0
Total Expenditure	1,100.8	1,068.3	1,040.9	1,061.0
Primary Balance	(50.1)	2.9	62.0	56.3
<i>As % of GDP</i>	<i>-1.5%</i>	<i>0.1%</i>	<i>1.7%</i>	<i>1.5%</i>
Overall Surplus/ (Deficit)	(141.5)	(88.0)	(30.3)	(36.0)
<i>As % of GDP</i>	<i>-4.1%</i>	<i>-2.5%</i>	<i>-0.8%</i>	<i>-0.9%</i>
Amortization	(65.9)	(86.0)	(74.4)	(74.4)
Financing Requirement	(207.4)	(174.0)	(104.7)	(110.4)
GDP in current market prices	3,443	3,571	3,716	3,846

Those financing needs will be met from the following sources:

- Disbursement of \$40 million from loans already contracted with our multi-lateral development partners to fund our Capital III Expenditure Program;
- Disbursement of \$20 million in budget support financing from the Republic of China (Taiwan) under the on-going Bilateral Economic Cooperation Program;
- Access to some \$41 million in domestic financing; and
- A further draw-down of Petrocaribe financing in the amounts of \$73 million.

Mr. Speaker, I freely concede that the proposed Primary and Overall Balances are not optimum in terms of IFI manuals. And we do not slight their advice concerning the need to increase savings in current operations to meet debt servicing commitments, fund local capital programs, and serve as buffers against possible domestic or external shocks. But this is, in a good way, a special period. And core fiscal targets, particularly because of the special borrowing opportunities, must, for the moment give way to the development imperatives of our country. Headlining these are infrastructure improvement, employment-creation and providing meaningfully for the poor and the near poor. (Applause) In the current circumstances we would be failing our people if we did not grasp with both hands, this chance to press on urgently with the measurable, tangible progress we have been making. One example of this progress is the almost 5,000 new jobs we created in the last year. (Applause) that is the kind of advance on which we cannot now turn our backs.

The policy of this government will therefore be to continue to exploit its current access to concessionary funding to drive infrastructure, work, poverty-alleviation and social protection for as long as it possibly can.

I do repeat that we remain mindful of the need to be able, in the interests of fiscal and debt sustainability, to adjust our expansion any program at very short notice should the need arise.

Summary of Revenue and Grants, FY2014/2015 to FY2017/2018				
(Bz\$ million)				
	Projected Outturn 2014/2015	Draft Estimates 2015/2016	FORECAST 2016/2017	FORECAST 2017/2018
Total Revenue and Grants	959.4	980.3	1,010.6	1,025.0
Total Revenue	917.1	939.7	962.5	985.9
Current Revenue	912.4	934.9	957.6	980.8
<i>Tax Revenue</i>	804.7	818.1	838.6	859.5
Taxes on Income & Profits	264.8	261.9	268.4	257.1
Taxes on Property	5.2	5.3	5.5	5.6
Taxes on Goods & Services	330.2	339.1	347.6	356.3
International Trade & Transactions	204.5	211.8	217.1	222.5
<i>Non-Tax Revenue</i>	107.7	116.8	119.0	121.3
Property Income	14.5	19.5	19.5	19.6
Licenses	11.9	12.3	12.6	12.9
Royalties	48.0	44.9	46.0	47.1
Ministries & Departments	32.2	32.0	32.8	33.6
Repayment of old loans	1.1	8.1	8.1	8.1
Capital Revenue	4.7	4.8	4.9	5.1
Grant	42.3	40.6	48.1	39.1

The Draft Estimates has total revenue and grants amounting to \$980 million and this is comprised of \$934 million in recurrent revenue, \$5 million in capital revenue, and \$41 million in grants.

Mr. Speaker, in projecting an increase in recurrent revenues we expect a boost in the collection efforts from the main tax sources (particularly customs duties, income & business tax and the general sales tax), at least in line with economic growth.

HON. D. BARROW (Prime Minister and Minister of Finance and Economic Development): Mr. Speaker, in accordance with Standing Order 12 (8), I move that the proceedings on the matter on the Order Paper may be entered upon and proceeded with at this day’s Sitting at any hour though opposed.

MR. SPEAKER: Honourable Members, the question is that the proceedings on the matter on the Order Paper may be entered upon and proceeded with at this day’s Sitting at any hour though opposed.

All those in favor, kindly say aye; those against kindly say no. I think the ayes have it.

HON. D. BARROW (Prime Minister and Minister of Finance and Economic Development): Mr. Speaker, I was saying that we expect a boost from our collection efforts. We also expect continued strong performance from the two

registries, control over which was re-acquired in the last fiscal year. Accordingly, we are once more presenting a Budget in which there are absolutely no new tax measures. (Applause) This is one aspect of our success, Mr. Speaker, that perhaps does not receive sufficient notice or praise. The fact that we have, for 5 years in succession, asked not one penny more of the Belizean people in additional taxes. (Applause) Rather, we have given back year after year after year to every segment of the society. (Applause) There are the annual increments on top of the salary increases to the teachers and public officers. There are the continually expanding allocations for Boost and Food Pantry. There are the millions and millions of dollars in mortgage write-offs through SSB and DFC and the Ministry of Housing; there are the payments for six CXC's and the annual high school subsidies. There are the free tablets to all tertiary level students (Applause) and the free Wi-Fi in the parks coming to every municipality. (Applause) There is the \$40 million for home construction and consumer loans through the National Bank; there is the Christmas Cheer and Mother's Day and Back to School. And we pay for all this without seeking a red cent more in taxes from the Belizean public. (Applause)

You know, Mr. Speaker, years from now, when history looks back on these halcyon days, it will be said of this administration that truly it was a Government for all. (Applause) And I am telling you right now, Mr. Speaker, there will never come such another. (Applause)

So this year, like every preceding year stretching back to 2010, we will rely on lifting revenue flows only through improved tax administration and the closing of existing loopholes. We will focus our efforts on tax auditing and on monitoring fiscal concessions and on cracking down on GST evasion.

The Draft Estimates of Recurrent Expenditure is proposing a total of \$874 million up by \$32 million over the projected outturn of \$842 million for FY 2014/2015. Of this proposed amount, some \$368 million is for Personal Emoluments, \$60 million for Pensions, \$211 million for Goods and Services, \$144 million for Subsidies and Current Transfers, and \$91 million for Interest Payments on Debt. The increase in Current Expenditure is attributed to the following:

- In Education - increased transfers to schools under the Education Sector Reform Program;
- In Health - more provisions for medical supplies, the expansion of National Health Services to the Corozal District, and for the new 24-hour service of the San Pedro Polyclinic; (Applause)
- In National Security – to fund the additional intakes for both the Coast Guard and the Police Force, and also for increased allowances for the Police (Applause) Overdue increase in allowance for police to right a historical injustice and put them on par with the rest of the public service in terms of allowance. (Applause)

Mr. Speaker, I remind the House that under the salary adjustment framework that this government was pleased to agree with the unions in February 2013, pay raises for the public officers and teachers are triggered by increases in the actual recurrent revenue outturns between two successive fiscal years. I can now say with certainty, and with pride based on the preliminary numbers, there will be such an increase between Fiscal Year 2013/2014 and Fiscal Year 2014/2015.

Under the Framework Agreement, we compromise, we committed to give one

half of that increase to, in this case, now to another salary spike for the public officers and teachers. As a place-holder only, we have allocated the sum of \$20 million in the Capital II Program (Applause) \$20 million to fund the additional raise of pay. This translates into at least a 4 percent jump for these GOB employees, on top of last year's 6 percent. And although it may end up being a little more or a little less depending on the final recurrent figure, we are so very pleased that we are once again, coming through with 10 percent over two years for the stewards of our education, our administration, our security. (Applause)

Mr. Speaker, my government is proposing to allocate some \$195 million to its capital program in the upcoming fiscal year, made up of some \$98 million in locally funded Capital II expenditure and some \$94 million in the externally funded Capital III expenditure. The continuing priority and the bulk of our Capital Program will be allocated toward the upgrading of highways, roads, streets and drains across the country.

In Toledo works are due to commence shortly on the last remaining segment of the Southern Highway which will lead right up to the Belize/Guatemala Border.

In the west, we begin soon the actual construction of the New Macal River Crossing now that its designs and revised costings have been completed.

In the north we expect to complete imminently the new facilities at the Santa Elena Border, including provisions for proper parking (for both commercial and private vehicles), traffic flows, and drainage.

Feeder road rehabilitation will continue, including in Stann Creek, under the EU Program.

In Belize City, work on both the North-side Flood Mitigation Project and South-side Poverty Alleviation Project Phase III will step up.

Turning to new projects, several will start this year. Do you see why I can't call the election. (Applause) Numbered among them are the Rehabilitation of the Hummingbird Highway, in the rest of which we introduced the motion; the rehabilitation of the George Price Highway (from Belmopan to Benque Viejo Town), and the Rehabilitation of the Philip Goldson Highway from Belize City to Sandhill. All of these are donor-financed on either grants or concessional loan terms.

Separately, Mr. Speaker, we are allocating the sum of \$12 million for the continuation of the National Primary Road Rehabilitation Project, under the Petrocaribe Program.

Mr. Speaker, looking after the needs of the social sector is a sacred commitment by which this Government lives, and it underpins all that we do. Thus you will find in the Estimates that substantial allocations have been made to the Youth and Community Transformation Project, to the Community Action for Public Safety Project, and to Health Reform and Education Policy Reform.

Mr. Speaker, I close by repeating that this is no time for the faint-hearted. Even as our current efforts are being crowned by success, there are those that remind us that it will not always be this way. They say that, in the cycle of economics, bust is certain to follow boom. That overstates the case. But it is true that no age of prosperity such as this is, can last forever. So, even as presently continue unstintingly to fund the revivification of Belize, we have an eye to the

future. Physical transformation must therefore be accompanied by structural transformation as we prepare for the global and local forks in the road ahead. Thus we program even more for education and knowledge acquisition, for trades and skills training. We consolidate and grow agriculture for export, tourism and the traditional areas. But we also strike out in new directions. We seek domestic food and energy self-sufficiency. We go after market share in financial services and outsourcing and near shoring. To buoy our economy and invest in our people we spend amply indeed, and expansively, but never like a drunken sailor. (that is reserve for you all) (Applause) We are conscious that borrowed money, no matter how favorable the terms, must be repaid. So we store up our rainy day fund and we provision to meet our obligations and we hedge against the possibility natural disasters.

Above all, though, we seize this day. We place our imprint on this time. We take full advantage of the plenteousness of the era. We construct the kind of economic edifice that is meant to last. And we build a social citadel in which the new man and the new woman, of the new Belize can dwell in peace and protection no matter the storms to come. That, Mr. Speaker, is what this United Democratic Party Government is all about, and I thank you. (Applause)

HON. D. BARROW (Prime Minister and Minister of Finance and Economic Development): Mr. Speaker, I name Thursday 26th and Friday 27th March, 2015, respectively, for the continuation of the debate on the General Revenue Appropriation (2015/2016) Bill, 2015.

MR. SPEAKER: Honourable Members, the question is that the House at its rising today adjourn to Thursday 26, 2015, at 10:00 A.M.

All those in favour, kindly say aye; those against, kindly say no. I think the ayes have it.

2. General Revenue Supplementary Appropriation (2014/2015) Bill, 2015.

HON. D. BARROW (Prime Minister and Minister of Finance and Economic Development): Mr. Speaker, I rise to introduce a Bill for an Act to appropriate further sums of money for the use of the Public Service of Belize for the financial year ending on the thirty-first day of March, two thousand and fifteen. This is in connection with the Petrocaribe spending.

This Bill has the recommendation of the Cabinet.

MR. SPEAKER: Honourable Members, the question is that the Bill for an Act to appropriate further sums of money for the use of the Public Service of Belize for the financial year ending on the thirty first day of March, 2015, be read a first and a second time.

All those in favour, kindly say aye; those against, kindly say no. I think the ayes have it.

Bill read a First and Second time.

ANNOUNCEMENT BY THE SPEAKER

MR. SPEAKER: Honourable Members, it has been agreed that the following Motions pass this day:

1. The Kuwait Fund for Arab Economic Development Rehabilitation of Hummingbird Highway Project Loan Motion, 2015;
2. Central American Bank for Economic Integration (CABEI) – Belize Integral Security Program Loan Motion, 2015.

Under Standing Order No. 74, all proposed Legislation, Messages, Petitions, Motions and other matters relating to the subject matter mentioned under the title of each Standing Committee shall be referred by the House to such Committee for examination, consideration and report to the House.

Other than by suspension of Standing Orders, I hereby suspend the Sitting to enable the Finance and Economic Development Committee to examine, consider and report to the House on the Motions.

All those in favour, kindly say aye; those against, kindly say no. I think the ayes have it.

The Sitting is therefore suspended until the Finance and Economic Development Committee has concluded its business.

PRESENTATION OF REPORTS FROM COMMITTEE

HON. J. SALDIVAR (Minister of National Security): Mr. Speaker, I rise to lay on the Table the following Sessional Papers

No. HR262/1/11 - Report from the Finance and Economic Development Committee on The Kuwait Fund for Arab Economic Development Rehabilitation of Hummingbird Highway Project Loan Motion, 2015.

No. HR263/1/11 - Report from the Finance and Economic Development Committee on the Central American Bank for Economic Integration (CABEI) – Belize Integral Security Program Loan Motion, 2015.

MR. SPEAKER: Honourable Members, those Reports are ordered to lie on the Table.

A. GOVERNMENT BUSINESS

III MOTIONS

1. **The Kuwait Fund for Arab Economic Development Rehabilitation of Hummingbird Highway Project Loan Motion, 2015.**

HON. D. BARROW (Prime Minister and Minister of Finance and Economic Development): Mr. Speaker, with your permission not to repeat the recitals, I move NOW, THEREFORE, BE IT RESOLVED that this Honourable House, being satisfied that the loan proceeds would significantly contribute to the economic and social development of Southern Belize by improving the condition

of the Hummingbird Highway, and addressing the increasing demand for the transportation of goods and services in the area, thereby promoting trade and business, approves and confirms that the Government of Belize may enter into a Loan Agreement with the Kuwait Fund for Arab Economic Development on the term and conditions set out above, and further authorizes the Minister of Finance to execute and deliver the said Loan Agreement and all other documents associated therewith.

MR. SPEAKER: Honourable Members, the question is, NOW, THEREFORE, BE IT RESOLVED that this Honourable House, being satisfied that the loan proceeds would significantly contribute to the economic and social development of Southern Belize by improving the condition of the Hummingbird Highway, and addressing the increasing demand for the transportation of goods and services in the area, thereby promoting trade and business, approves and confirms that the Government of Belize may enter into a Loan Agreement with the Kuwait Fund for Arab Economic Development on the term and conditions set out above, and further authorizes the Minister of Finance to execute and deliver the said Loan Agreement and all other documents associated therewith.

All those in favour, kindly say aye; those against, kindly say no. I think the ayes have it.

2. Central American Bank for Economic Integration (CABEI) – Belize Integral Security Program - Loan Motion, 2015.

HON. D. BARROW (Prime Minister and Minister of Finance and Economic Development): Mr. Speaker, with your permission not to repeat the recitals, I move, NOW, THEREFORE, BE IT RESOLVED that this Honorable House, being satisfied that the Loan Proceeds would support the betterment of the quality of life for Belizeans and support regional efforts for the prevention, reduction and combat of crime, by up scaling Belize's National Security, approves and confirms that the Government of Belize may enter into a Loan Agreement with the Central American Bank for Economic Integration on the terms and conditions set out above, and further authorizes the Minister of Finance to execute and deliver the said Loan Agreement and all other documents associated therewith.

MR. SPEAKER: Honourable Members, the question is, NOW, THEREFORE, BE IT RESOLVED that this Honorable House, being satisfied that the Loan Proceeds would support the betterment of the quality of life for Belizeans and support regional efforts for the prevention, reduction and combat of crime, by up scaling Belize's National Security, approves and confirms that the Government of Belize may enter into a Loan Agreement with the Central American Bank for Economic Integration on the terms and conditions set out above, and further authorizes the Minister of Finance to execute and deliver the said Loan Agreement and all other documents associated therewith.

All those in favour, kindly say aye; those against, kindly say no. I think the ayes have it.

BILL FOR THIRD READING

1. General Revenue Supplementary Appropriation (2014/2015) Bill, 2015.

HON. D. BARROW (Prime Minister and Minister of Finance and Economic Development): Mr. Speaker, I move the third reading of a Bill for an

Act to appropriate a further sum of money for the use of the Public Service of Belize for the financial year ending thirty-first day of March, two thousand and fifteen.

MR. SPEAKER: Honourable Members, the question is that the Bill for an Act to appropriate further sums of money for the use of the Public Service of Belize for the financial year ending on the thirty-first day of March, two thousand and fifteen, be read a third time.

All those in favour, kindly say aye; those against, kindly say no. I think the ayes have it.

Bill read a third time.

ADJOURNMENT

HON. D. BARROW (Prime Minister and Minister of Finance and Economic Development): Mr. Speaker, I move that the House do now adjourn.

RT. HON. S. MUSA (Fort George): Mr. Speaker, the Prime Minister gloated this morning with a phony self righteous indignation about a recorded conversation made by the Member for Orange Walk Central. The Prime Minister out of all people should know that the old tired allegations of wrong doing on my part are false, and phony. The reason why he should know is because he was the one who instigated the malicious persecution against me and Mr. Ralph Fonseca. And what became of those charges, those phony charges of theft and all that, they were dismissed even before trial without a trial.

You fellows are really sick with your gloating, you know. Mr. Speaker, the political motivated charges that were brought against me were dismissed and I was fully vindicated. The case was thrown out of court. And with the Prime Minister hypocritical ranting in the House today, it is clearly an attempt to take advantage of the frustrated ranting of a politician, that he as Prime Minister was trying to predict would be sitting over here as Leader of the People's United Party.

The second reason why I suspect the Prime Minister went on totally unbecoming of a Prime Minister, to make an issue of this at this stage when in fact, this is old hot stuff going back almost ten years, because he is trying divert attention from the ongoing and pervasive corruption that is taking place in his administration today. There are massive corruptions in the UDP Administration, crony capitalism, nepotism like we have never seen it before in this country.

So, with all that, Mr. Speaker, I say, yes you can have your fun today, and I will not anticipate the debate in the budget, Mr. Speaker, but the Minister of Health should be aware that with the billions of dollars that was spent, the Karl Huesner Memorial Hospital today does not have a working CT Scan nor does it have a working Sterilizer, with all the millions. Thank you, Mr. Speaker. (Applause)

HON. D. BARROW (Prime Minister and Minister of Finance and Economic Development): Mr. Speaker, people who saw the Former Prime Minister on Wednesday, during the news casts were shocked by his appearance. I think in any other circumstance he would have elicited some sympathy because there for the grace of God, go ahead. But, again, he forfeits any claim that he might have to any kind of solidarity from anybody in Belize in consequence of his

brazenness, his boldface gall. As you say in Kriol, *facieness*. This man stands up now, Mr. Speaker, and actually tries to put on a garb of righteous, suggesting that he has done by, and that my intervention is in consequence of frustration or spite. My intervention, I made clear, was because this is an issue of fundamental concern for our people. It is an issue of fundamental importance with respect to our democracy. And I demanded, and continue to demand that the Leader of the Opposition, who is the one, that has the constitutional duty, in fact, treat accordingly with the Belizean public. I was wasting too much time on the previous Prime Minister because, indeed, I believe it is long since accepted by all right thinking Belizeans that he is beyond the pale. He is beyond the pale. I mean this only in the sort of metaphorical sense I've just said, Mr. Speaker, that to the extent that he might be ill. There is a difference between ill and sick. We know he is sick in his head but to the extent that he might be ill, nobody will treat that lightly, nobody will take that as any laughing matter.

So, I say again, what I will tell you now, Mr. Speaker, is really a sort of metaphorical a kind of illusion. In terms of politics and this refusal of his to go there is a term used on the streets of the south side of Belize City, from where I hale you know I am from that side that says, the man is dead but he refuse to close his eye. Politically this man is dead but he refuse to close his eyes. Mr. Speaker, I heard him tell an interviewer that this is the last time, he will retire and then when he was pressed, said after the next election, after the 2017 elections. This man will be 71 years old in a couple of days time, you know. But anyway to the substance such as there is in what he said just now.

First of all, the charges that were brought against him were particular and specific having to do with the \$20 million in monies sent by Venezuela to be spent on housing for the Belizean people which he diverted. He saying, he didn't steal it, that is a technical argument, and he is entitled to the benefit of the judgment of the court. So, I won't say that he stole that money, he diverted that money and used it as part of the architecture of insider dealing and special arrangements that he had as a consequence of the whole BTL, Ashcroft, Belize Bank access, with which he cut these deals and to which he was so beholden. But, Mr. Speaker, that tape and the confession of the Member for Orange Walk Central, did not concentrate on that aspect of the matter at all. So let's grant you, if we want to be charitable, that you've been cleared certainly in terms of the charge of theft with respect to the Venezuela \$20 million. No, that is not what the Member for Orange Walk Central is talking about on the tape. He is specific about all that you did in terms of DFC, money in terms of Galleria Maya, in terms of the Yen swap, in terms of SSB. And, Mr. Speaker, you see, I don't know why you didn't sit down and kept you mouth shut. When I spoke, I didn't call his name except to talk about the Musa/Fonseca administration, you know. I never level any accusation at you. I talked about what the Member for Orange Walk Central had said on the tape, but because you get up now and you, as I said have the *faciness*, to intervene. Let me say what is on that tape that the news media can't play because of fear of libel. On that tape, you are accused of personally having stole tens of millions and it is said you should be in jail, and that if it were any other country, you would be. (Applause) It is not me that says so. It is the man sitting beside you, the confessor on the tape. It is not me that says so. And let me repeat, his position and he was there for 10 long years as I said he had to have been intimate, utterly familiar with your wheeling and you're dealing and you were at the head of the stream, you know, you were the one who presided over this architecture of corruption. He was there, he observed it for 10 long years, and he is the one who says, in terms of all that you did, that if it were any other country you would be in jail. (Applause)

MR. SPEAKER: But Member, you can't respond, on the matter.

RT. HON. S. MUSA (Fort George): Mr. Speaker, no, no, this is a personal attack on me by the Prime Minister knowing fully well.

MR. SPEAKER: You know better than that, Member. You know better than that. Senior Member, respect the House. You made your representation and he responded that's it, man. Take your seat Member.

MR. SPEAKER: Honourable Members, the question is that the House do now adjourn.

All those in favour, kindly say aye; those against, kindly say no. I think the ayes have it.

The House now stands adjourned

The House adjourned at 1:05 P.M. to Thursday, 26th March 2015 at 10:00 A.M.

Speaker.

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