

**BELIZE**

**No. 23/1/12**

**SENATE**

**Tuesday, 20<sup>th</sup> January 2015**

**10:13 A.M.**

Pursuant to the direction of Mr. President, in writing, dated 19<sup>th</sup> January 2015, the Senate met in the National Assembly Chamber in Belmopan on Tuesday, 20<sup>th</sup> January 2015, at 10:13 A.M.

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**Members Present:**

Senator, the Honourable Marco Pech – President  
Senator, the Honourable Godwin Hulse – Leader of Government Business  
and Minister of Labour, Local Government, Rural Development,  
National Emergency Management and Immigration and  
Nationality  
Senator, the Honourable Juliet Thimbriel – Vice President  
Senator, the Honourable Joy Grant – Minister of Energy, Science and  
Technology and Public Utilities  
Senator, the Honourable Charles Gibson – Minister of Public Service and  
Elections and Boundaries  
Senator, the Honourable Lisel Alamilla – Minister of Forestry, Fisheries and  
Sustainable Development  
Senator, the Honourable Gerardo Sosa  
Senator, the Honourable Lisa Shoman  
Senator, the Honourable Anthony Sylvestre, Jr.  
Senator, the Honourable Patrick Andrews  
Senator, the Honourable Daniel Gutierrez- Temporary  
Senator, the Honourable Rev. Fr. Noel Leslie  
Senator, the Honourable Ray Davis

**Member Absent:**

Senator, the Honourable Markhelm Lizarraga.

MR. PRESIDENT *in the Chair.*

PRAYERS *read by Mr. President.*

**OATH OF ALLEGIANCE OF A NEW SENATOR**

**MR. PRESIDENT:** Mr. Clerk, kindly administer the Oath of Allegiance to  
the new Senator.

**SENATOR D. GUTIEREZ:** I, Daniel Gutierrez, do swear that I will bear true faith and allegiance to Belize and will uphold the Constitution and the law, and that I will conscientiously, impartially and to the best of my ability discharge my duties as Senator and do right to all manner of people without fear or favour, affection or ill-will. So help me, God.

**MR. PRESIDENT:** Congratulations Senator and welcome to today's sitting.

### **BILL BROUGHT FROM THE HOUSE OF REPRESENTATIVES**

**SENATOR G. HULSE (Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality):** Good morning, Senators. I wish to welcome to this esteemed House the new Senator for this Session, Senator Daniel Gutierrez.

Mr. President, I rise to take charge of the following Bill, Sugar Industry (Amendment) Bill, 2015.

**MR. PRESIDENT:** Honourable Members, the question is that the Bill be taken through all its stages forthwith.

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

### **PAPERS**

**SENATOR G. HULSE (Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality):** Mr. President, I rise to lay on the Table Sessional Paper Numbers:

151/1/12 - Customs and Excise Duties (Amendment of First Schedule) (No.9) Order, 2014.

- 152/1/12 - Customs and Excise Duties (Amendment of First Schedule) (No.10) Order, 2014.
- 153/1/12 - Customs and Excise Duties (Amendment of First Schedule) (No.11) Order, 2014.
- 154/1/12 - Customs and Excise Duties (Amendment of First Schedule) (No.12) Order, 2014.
- 155/1/12 - Supplies Control (Prices) (Amendment) (No.42) Regulations, 2014.
- 156/1/12 - Supplies Control (Prices) (Amendment) (No.43) Regulations, 2014.

**MR. PRESIDENT:** Honourable Members, those papers are ordered to lie on the Table.

#### **MOTIONS RELATING TO THE BUSINESS OR SITTINGS OF THE SENATE**

**SENATOR G. HULSE (Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality):** Mr. President, I move that at its rising today the Senate adjourn to a date to be fixed by the President.

**MR. PRESIDENT:** Honourable Members, the question is that, at its rising today, the Senate adjourn to a date to be fixed by the President.

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

#### **I BILL FOR SECOND READING**

##### **1. Sugar Industry (Amendment) Bill, 2015.**

**SENATOR G. HULSE (Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality):** Mr. President, I rise to move the second reading of a Bill for an Act to amend the Sugar Industry Act, Chapter 325 of the Substantive Laws of Belize, Revised Edition 2000-2003; to bring the Act into conformity with the Belize Constitution; to secure to all cane farmers the

freedom to belong to an association of their own choice; to facilitate the commencement of grinding seasons in a fair and equitable manner, taking due account of the legitimate interests of all stakeholders; and to provide for matters connected therewith or incidental thereto.

**SENATOR L. SHOMAN:** Thank you, Mr. President. Out of courtesy I was about to yield to my friend the new business Senator but since I have been recognized by the presidency I will commence the discussion this morning. After that brief and rather unedifying presentation by my friend, the Leader of Government Business, who was uncharacteristically short this morning. I am sure, however, that after he hears what his colleagues Senators have to say, he probably would want to take advantage of his having the last word in this debate to contribute.

Mr. President, let me start first of all by welcoming our newest colleague Senator Daniel Gutierrez. It is a pleasure to have him here and we welcome him. (Applause) We look forward to working with you for however long you are here to represent the business community. You stand on some very able shoulders not in the least of which formerly the Leader of Government Business and Senator Lizarraga and I have absolutely no doubt, Mr. President, that our new Senator will fill the cap very easily and very elegantly.

Mr. President, this is today a almost one item agenda aside and apart, of course, the papers that were ordered to lay. Today we are here to debate a Bill which has been passed already in the House of Representatives and which purports to be and I will read with your permission from the long title, “An Act to amend the Sugar Industry Act, Chapter 325 of the Substantive Laws of Belize, Revised Edition 2000-2003; to bring the Act into conformity with the Belize Constitution; to secure to all cane farmers the freedom to belong to an association of their own choice; to facilitate the commencement of grinding seasons in a fair and equitable manner, taking due account of the legitimate interests of all stakeholders; and to provide for matters connected therewith or incidental

thereto.” Mr. President, cynicks often refer to these long titles of Acts or Bills as being Orwellian and it doesn’t sound like a good thing and indeed it’s not. What does it mean to be Orwellian? When critics call something like this Orwellian what they really mean is that it is double speak. It says one thing but within that one thing that it says it contains several layers of meaning. Sometimes very often and as is the case here conveying the very opposite of what it really means and so it serves like a very fine thing indeed to pass an act to amend the Sugar Industry Act to quote “bring the act in conformity with the Belize Constitution.” Because after all who would want an act that it’s not in conformity with the Belize Constitution, certainly, such an animal would offend against the sensibility of any constitutional lawyer to have an act that is not in conformity with the Belize Constitution.

Also, it states that it is to secure to all cane farmers the freedom to belong to an association of their own choice. Well, you know, that word secure is very interesting there. Because apparently, according to the farmers, they’ve had this right all along and it is only now, four years later, that the Government is seeking to play a frenzied form of catch up in order to bring what is, according to the Government, reality into flesh in the wording of this act. It is also purportedly to facilitate the commencement of grinding seasons in a fair and equitable manner. And my colleague, Senator Anthony Sylvestre, will certainly be focusing his laser beams on that particular section. And I would like to look at the due account of the legitimate interest of all stakeholders.

Allow me first, Mr. President, a few words about the manner in which this Bill has been brought to the National Assembly. After four years of absolutely doing nothing at all about an agreement that the Government of Belize made with certain persons to amend this act. Nothing at all was done from 2010 when that agreement was made and suddenly in the last week we had a flurry of frenzied activity culminating in the presentation of a Bill to make this amendment at 10

o'clock of the exact same morning that the Government expected to be able to push through the Bill at all stages.

Today, this morning, as is my habit I got up, I had my coffee, I read over my papers, I went on facebook, and I found a little statement there by one of my friends which on second thought had some very deep meaning and it said "Not because you have the power to do something, not because you have the right by means of the power to do something means it is the right thing to do." I don't think there is anybody that will say nay to the ability of the Government's side to push through this legislation whether in the House of Representatives or indeed in this Honourable chamber. But it has to be noted, Mr. President, that this frenzy to run through legislation in practically less than 48 hours because let's get it right. This was given to the Members of the House yesterday at 10:00A.M from the Opposition. I am tempted to say that I believe it must not have been given to certain Members of the House on the Government side too much before that but I don't know and that would be speculation indeed but let's put it as a fact that it was not given to the Opposition before 10:00 A.M. And there was a debate and this was passed I believe some time in the early afternoon which puts us here, here in this chamber, less than 24 hours. (Applause) Less than 24 hours since it was passed. And I have no doubt in my mind that the minute we leave this Chamber having voted on this Bill and it will pass because the Government side has the numbers since it refuses about five or six years after the fact to bring into effect the thirteenth Senator. So it has the numbers and it will pass. But let us understand where it is that such an important piece of legislation, narrow compass or not will have been shoved through in our democracy in less than 24 hours because I have no doubt that it will be given the certificate of this Chamber, taken to the AG, who I have no doubt will be presenting it to the Governor General some time later this afternoon for assent.

This is where we are, we've become, Mr. President, less of a democracy and more of a *ramocracy* where laws, policies are being rammed through with

proper consultation. And you can call it sour grapes all you want, Mr. President, you can call it get with the program, you can call it anything you'd like. But what you can't call it is due process, what you can't call it is consultative, what you can't call it is taking due account of the legitimate interest of all stakeholders because that is nothing more than a sad joke and nothing close to the truth. The legitimate interest of all stakeholders would have demanded at the very least a considered consultation with the biggest amount of stakeholders involved that is the cane farmers and cañeros of Belize whom no one has assured us, Mr. President, even had a chance to look at this piece of legislation before it was pushed into the House and will be hurried through this Chamber. But before that happens at the very least, those of us who take this issue seriously will have an opportunity to speak to this Bill. Really, it should be called, you know, the BSI ASR Bill, really, that is what it should be called. This Bill, were the past under the rubric of offering more freedom to cane farmers because it says, "it secures to all cane farmers the freedom to belong to an association of their choice." But what it really would do is to create the conditions so that their unity is broken. This is why I say, Mr. President, that it is Orwellian.

The definition sections in section 2 of the principle act are amended and the definition of cane farmer removes the B.S.C.F.A from the definition of a cane farmer who no longer needs to belong to that. And you can say, yes man but that is giving the cane farmer freedom. I want you, Mr. President, and my colleague Senators to consider very carefully that this definition has broken down the doors in is zero for purported reformed and some illusionary freedom. I want you to understand that under this definition cane farmer means, "A person or entity who is engaged in the production of sugar cane for the purpose of being manufactured into sugar ethanol or any derivative of sugar cane and registered by the sugar cane production committee pursuant to this act. No longer should such a person and entity need to belong to any association." and as far as I could see nothing in this act stops B.S.I.A.S.R from forming their own entity to grow cane and breaking

the backs of the cañeros for that. Those who follow the industry closely and understand how it works know how hard cane farmers have struggled to make sure that the tripartite agreement of farmers' manufacturer and Government did not overwhelm them and that they were able to maintain a balance so that the manufacturer was not able to overwhelm them. I submit, Mr. President, that this change in meaning will open the door for the breaking, will open the door for entities which will mean that cañeros particularly small cañeros will be put at risk as to being swamped. Because they are the ones least able to withstand changes in conditions, they are the ones least able to hold out against big consolidating movements.

All you have to do, Mr. President, is to be a study of history. To look back in time, to look back at the beginning of the 20<sup>th</sup> century and see how the modern multinational was born and in that day and age it had a different name. It was called by brothers in Latin Americas, *la unie*, the united fruit company, first of its kind. They wrote the script on how to deal with small farmers and take over the means of production into their own hands so that they became as my grandmother call them, *ellos lo tocan y ellos lo bailan*. And the ones who are disadvantage, Mr. President, was not the industry, it was the small farmers who went from being proud independent banana farmers to being banana *campesinos*, to be banana peons, to being banana road slaves. And it was only when social justice movements of the 30's, the 40's, the 50's, the 60's started to beat down the united fruit company, the *la unie*, only when that struggle was realized in the 70's by the power of trade union, by the right of freedom of association, freedom of assembly that's when small farmers were able to recapture some of what they had lost but for many it was too late. The multinational had already rolled over them and flatten their livelihood.

I really hope, Mr. President, that I will never have caused to revisit my words here, that I will never have to say I said so. Because the fear of my bench, my party, the people that we talk to, we represent which are all small farmers, the

small cañeros and big ones too, Mr. President, I really sincerely hope that the future of these industry is not that the manufacturer gains primacy over the farmer. Because, then, we will have broken a proud history of cañeros in Belize and all of the hard work and struggle that the trade union movement, that bananeras unidas, that small farmers, that the father of the nation did in making sure that the work, the right to work of the small farmer is honored. There should never be an occasion on which, Mr. President, any Government is accused of violating the constitutional rights of its people. And I sincerely hope by the movements, policies, track record, changes, pressure, tactics, schematics of this Government that they have made sure that they are not violating the rights to work of small farmers. Because let's be real, if you can be blocked because of your political or your economic opposition to the miller, to the manufacturer, then, effectively your right to work as been violated even if you used the power of your numbers in office to be able to do that. Having the right to govern does not give you the right to roll over minority rights. It does not give you the right to proclaim because you have a political majority that you know best for everybody.

So, Mr. President, I want us to understand that by abolishing the need for there to be membership to the Belize Sugar Cane Farmer Association that we haven't open the door to an even more difficult problem that is of being able to safeguard minority rights of cane farmers. Then, there is the amendment which looks at the membership of the Sugar Industry Control Board. You know, I don't know why semantics games are played. I really wish we had just come out and call this thing the Sugar Minister Control Board because that's what it really will end up being. (Applause) This thing already had a balance that was too skewed in favor of Ministers and Ministers power and this is, Mr. President, incomplete contravention of what is the modern reality which is decentralization of Government power on private industry.

On the one hand this Government trumpets that it's for private industry, private investment, partnership with the private sector, letting people run their

own business and on the second hand, it seeks to control it by giving more ministerial power into its own hands with every single opportunity for abuse. It doesn't matter, you know, Mr. President, whether it's now or whether it's later, whether it's down the road, this is in contra-distinction to what should be happening. Where if you say, you are amending this act in order to take due account of the legitimate interest of all stakeholders at least tell people that some stakeholders are going to have more power than others and that includes the Minister, himself and B.S.I.A.S.R who used to have two representatives on this thing and is now given three by this amendment.

Why? B.S.I.A.S.R got the concessions that it wanted. It got, thanks to the Government's assistance or policy or influence whatever you like to call it, it got a 7 year agreement sign that buying farmers for at least, correct me if I am wrong, the next four years. Can't get out from it before then, no interim agreement, push it down your throat, take it or leave it or we are not going to grind 7 years. On top of that, you give them another representative on this board, for what? Because look at page 3 of your Bill, section 5(2) of the principal act is amended in paragraph (d) by substituting three representatives for two occurring therein. For what? Because two used to be from the manufacturer, now, you are giving them three. The answer, Mr. President, and beloved colleagues, may be found in the repeal of paragraph 3 and its replacement by one representative of each of the associations provided that if there is more than three at any time, the association shall jointly nominate three representatives but if the association fail to agree on those three representatives such members, all three of them, will be appointed by who, you got it, the Minister. As best representing, according to his or her own judgment, as best representing the various associations. It does not demand that the Minister must do so in consultation with those associations, which means because I've had some 30 years of reading laws, so I can confidently state this means that if the three association, if there is more than three, and the more than three can't agree, okay, no matter if one association represents 5,000 cane farmers

and the other four only have 250 members each, once there is more than three, either the three of them agrees jointly on all three or the Minister, in the Minister's own deliberate judgment will decide who best represent the various association and appoint all three, all three. Understand what has been lost to the cane farmers because this is the Sugar Industry Control Board which is the principal policy making organ for the development and control of the sugar industry. It will end up just like the thirteenth Senator, you know, a promise that is cold comfort to a fool.

Those who think they will have more representation and therefore more say I think are going to be sadly mistaken. I am left to be corrected, you know, I leave to be proven wrong, I hope I am wrong. I really hope so. This is one time I say I hope I am wrong and I hope I will not have to remind this Honourable Chamber when the full review of the Sugar Industry Bill comes up what we did and what its impact has been because this really should now be called the Sugar Minister Control Board. You know, Mr. President, there is several other sections here but I am mindful that there are other colleagues, oh, and by the way, less I forget, just understand that it is this Sugar Industry Control Board that has the power to register associations. So, you know, it sets out the nice sounding thing that these associations should do and should have sound like, yeah all you need to do is follow that and you will get registered. I wish you luck when it does sit or they don't like your association or they don't want you the power will be in the hands of that same board to say you, yay or nay. So, freedom may be just as the sound lyric says another word for nothing left to lose. I hope I am wrong, I really hope I am wrong Mr. President. But history has not been without its precedence as to when this Government has dealt with industries such as rice and yes, let's say even citrus. I really hope that A.S.R does not turn out to be the new millennium united fruit company; I hope it is not the unie but I am going to tell you, Mr. President, the more I read both about the united fruit company and A.S.R and its policies, plans, programs and tactics elsewhere in the region, the more concerned I become. Some may say we live in a new millennium and what happen then can

never happen now. All I say to that, Mr. President, is if we don't understand history we may very well be doomed to repeat it.

The sugar industry is not about politics, let's be clear, sugar industry is about our nation, our economic conditions, about an income generator, about the livelihood that affects as my friend the Honourable John Briceño said yesterday, more than 50,000 Belizeans. And if you look at the indirect impact that the industry has, it probably is well more than that. The constitution mandates the National Assembly to make laws for the peace, order and good Government of the good people of Belize. I do not believe, Mr. President, that the amendments which are being proposed here are necessarily for order and good Government of Belize. You may say that is a matter of opinion. I respond that it is a matter of an opinion that is shared by many in Belize. (Applause) And that if we are to do our job as the upper chamber of the National Assembly, we must ensure that the laws that we are passing are for the peace, order, and good Government of this nation or we will be the ones who would be held responsible not only by the cane farmers who suffer because of this but by their families and by those thousands of Belizeans on whom the repercussions will come. I stand prepared as do my colleagues to work on any piece of legislation to better it so that we protect and safeguard the rights of Belizeans that is not something we can do, Mr. President, if we continue to insist that we legislate at gunpoint. I remember the words of my friend the Leader of Government Business when we were passing the raft of FATCA legislation when he be known the fact that we had no choice, don't tell me we have no choice. We always have a choice. It may not be an easy choice. It may not be a popular choice. It may not even be a comfortable choice but the only choice that we have, Mr. President, is to make laws for the peace, order, and good Government of this country. (Applause) Thank you, Mr. President.

**SENATOR P. ANDREWS:** Mr. President, with your permission I would refer to my notes. Mr. President, it is a sad day for our country, for our people and

for our democracy. It seems that each time I attend this House as if though our democracy is eroding. Seems each time we come here that the rights of our people of this country are being limited each time and more power is being given to a few elite within our country. Mr. President, as we look at the amendment to this act it brings up the issue that we have in this country of 49% unemployment rate and where there is poverty those who sit at the top seems to have more power to control. And I can't help but see where we have over 5,000 cane farmers that have continually been trying to fight for better payment and better reward for their hard work, for their sweat and toil that we have a Government who have chosen not to stand with the poor people of this country but to take side with a company that is insisting not to respect the just due reward to the hard workers of this country.

This Bill was brought to us and it was put through rather haste even yesterday, I want to register, Mr. President, my upmost disapproval for such actions where bills are passed through in three reading in one day. We disrespect the consultation process of this country. We are not a dictatorship in this country. All who govern governs on behalf of the people and for the best interest of the people. We know that the amendment to this bill was as in accord to the Supreme Court in 2010 and I wonder why four years after, why wait four years after? What happen to 2011? What happen to 2012 and 2013? Why was it that our Government has moved only now? Mr. President, but we must see what is taking place here and why we had to rush through in three reading this amendment and why now. When we see the Government is trying to break the will of such a strong association that has been in negotiations over and over for better reward for the due work.

Contrary to creating the conditions of equity, Mr. President, we see that this amendment will create serious turmoil within the association, particularly, as it relates to the procedures of delivery of the sugarcane. Because of the rush and because of lack of consultation, I would like to find out what measures now would be used for the delivery of sugarcane. Will it now be the philosophy of the

UDP? Where the UDP cane farmers will have first preference now in the delivery of this cane that the UDP so proudly boast about, UDP first, Belizeans second, and PUP third. This is unacceptable, Mr. President, and this is what is taking place in this country. I would say that yesterday I was talking with a cane farmer right at the steps of this national House and a cane farmer told me that they did not have no options because they knew that the Government of this country, the UDP administration, let me say, was not on their side. The UDP Government was not fighting for the best interest as the cane farmers. And that cane farmer told me it was as though a gun was held to their head to force to sign this agreement. Because no cane farmer out there will tell you that they are satisfied with this agreement except for a few that God knows what processes have been used for them to come to be able to say they agree with such conditions.

Let there be no doubt, Mr. President, that this action from this Government that they will be held accountable by the cane farmers in the north, who are totally disapproving of this action of the oppression, again, to the poor hard working farmers of this country. And we and I join with the people of this country and I join with my colleagues and saying, that we will continue to fight for the hard working Belizeans of this country. (Applause) We will continue to always take the side of the hard working Belizean workers and we cannot sit back and see where special negotiations are being taken place and where the interests of big companies are being respected over the interest of the Belizean people. This is unacceptable. (Applause) I agree with my colleague that this day should be called a UDP ASR BSI Bill because that's what it is. They are the only one that is benefitting from this. Of course, we respect the freedom of association. Nobody in their right mind would argue about the freedom of association but let it be clear that this measure by this Government was made specifically to try and derail a strong association that have stood for the interest of the cane farmers and this is why it was happening. I wish that the UDP administration would practice what

they preach. If not our friend, Mr. Nory would not be sitting off a popular talk show today because of his freedom of expression. (Applause)

Last week, Mr. President, a young lady called me with almost tears in her eyes and she says, “Mr. Patrick, I am sorry because I cannot continue campaigning for the PUP.” And I said, “Why?” She says, “Well, I had a visit from a certain Minister and that Minister told me if I don’t stop campaigning that my sister might have to lose her job.” And I say that only to say that here we have a Government that under the basis of freedom of association which we do agree but yet they are victimizing people over and over because of their constitutional right for freedom of association for their freedom of expression. And this cannot be tolerated, Mr. President. And so, when we look at this and when we look at this amendment and as my colleague, Senator Sylvestre, I am sure will show that we are in troublesome waters because it is my observation that the UDP administration ASR and BSI final objective is to create a company that is not dependent on the cane farmers of the north. They are creating a policy where they will be able to function without the 5,000 cane farmers, where they themselves will be able to plant the cane, where they themselves will be able to make all the money and we will continue because of the reckless policies of this UDP Government continue to add in to unemployment and the poverty rate of this country. And so I call upon the Members of this House to understand what is taking place here. We cannot continue to making decision on the best interest on a few big multinational companies while we put such a heavy burden upon our hard working cane farmers.

And while, Mr. President, we have just received my papers yesterday, and we did not have much time to even look at the contents of this amendment but we realize that that has become a norm and a practice to try and derail proper discussion and proper consultation. Which is contrary to any democracy and while the people of this country, they are walking around with a sense of hopelessness. With a sense of hopelessness because over and over we have seen

where a Government does not make laws or policies in the best interest of the people but in the best interest of a few select elites in this country and we cannot continue like that. And I want to say for the record that those responsible, who have made it impossible for these hard working farmers to collect their just rewards that is due to them. The day of reckoning will come and I am saying that those will be held responsible for their action and I look forward to that day, Mr. President. And I want to also state for the record that the People's United Party will continue fighting for the cane farmers of this country. We will continue standing with the hard working people of this country. We will continue fighting to see the reduction of unemployment and poverty in this country. So, thank you, Mr. President, and those were some of my comments.

**SENATOR A. SYLVESTRE:** Mr. President, I would yield Senator Cano. Sorry. Mr. President, I am in full agreement with what both Senator Shoman and Senator Andrews had said. Mr. President, the long title to this Bill which we are debating as Senator Shoman has said speaks about the Bill being or suppose to be in conformity with the Constitution and to facilitate the commencement of the grinding season. But as Senator Andrews has pointed out quite properly the long title of this Bill should be, "A Bill to facilitate the monopolization of BSASR of the sugar cane industry in Belize." That is what this long title to this bill should be. Mr. President, the starting point for us to understand the scope and the depth of this collaboration and collusion with the Government of Belize to put small sugarcane farmers in a more disadvantageous position is to for us to have a look at what is the existing definition of a cane farmer. The existing definition of a cane farmer reads at section 2 of the act and it says, Mr. President, "A cane farmer means a person or entity who cultivates cane and has been registered as a producer of cane by the sugarcane production committee."

Now, Mr. President, that is important for us to understand because what that existing definition of cane farmer does, it points out the obvious. A cane

farmer is actually somebody who does the cultivation of the cane. There is a change to this definition of cane farmer now and what the repealed definition of section 2, in respect to the cane farmer, what other definition of a cane farmer, that section have been repealed and replaced with the following, "A cane farmer, now, is a person or entity who is engage in the production of sugar cane." So that Mr. President, we seek at the outset that the scope of a cane farmer is more to the extent of including the manufacture as Senator Shoman has pointed out that what has been done is an opening an avenue for the manufacturers, for they themselves to actually become once and for all the cane farmers and to do away with the small cane farmers. This is very important for us to appreciate and understand, Mr. President, because all of this issue started as we well know because the cane farmers would not sign to a document. Interestingly, I was looking at a Mr. Ortega on the news yesterday and he referred to the agreement as a document. And Senator Shoman would know as an attorney, an agreement is something that both parties agreed to. That is why it is called an agreement. But if one party doesn't agree to it and it is unilateral then you can't say it's an agreement. And so quite properly the gentleman referred to the thing as a document and not an agreement because as he pointed out and as Senator Andrews has pointed that many of these cane farmers as thought a gun was put to their head and they have to, they were forced to accept, they were forced to sign to something which is clearly disadvantageous to them.

You see, Mr. President, as you well know a cane farmer is not only the owner of the sugar cane but he is also the owner of the ethanol and other derivatives of sugar cane. The importance of that is issue to the respect of sharing of bagasse and other by products of sugar cane that came into the picture. But the manufactures being who they are, they would always want to up man those who are in a less position than they are. They refuse to agree to something which would have being and which would have put the cane farmers in an equal footing. The cane farmers, they held out but through the efforts of the Government and in

particular the Sugar Control Board who refuse to set a date for the grinding season and these cane farmers on the ground having their sugar cane spoiling and rotting, they, therefore, agreed to something which they would not under ordinary circumstances. But, Mr. President, it is important to know that the Government has put forth the argument that they can't force ASR, they can't force BSI to open the factory but, in fact, the law, the existing law is set in such a way which is not to be considered as forcing BSI and ASR to open the factory but to protect a small farmers. So, that the manufacturers, BSI and ASR, cannot refuse because they may not like a particular cane farmer, refuse to accept the delivery of their sugar cane. The existing provision which deals with that, Mr. President, and I will focus my attention principally on the amendment in this Bill to section 19 subsection (5), the existing provision with respect to what amongst a grinding season is also set out in section 2 of the act. And a grinding season is declared as the period fixed by the board during which the manufacturer shall, it does say it may its not optional, shall accept sugar cane. And when we read further up, Mr. President, in section (6) subsection (e) of the existing Act it tells you, again, that the manufactures shall accept deliveries of sugar cane, while that is important, the importance of that is once the sugar board declares the grinding season open, the manufacturers have to accept the deliveries that are made by the cane farmers. But because ASR, BSI, they want the small cane farmers, they want the cane farmers to sign to an agreement, they have been and it's very clear, they have got their assistance of the Sugar Cane Board to not open and to not declare the grinding season open.

Now, what we find in this amendment bill, Mr. President, in particular, the amendment to section 19 subsection (5) is what I had feared this Government would have done. They have in a very sumptuous way, in a very clever way, now, allow the manufacturers to refuse to accept cane deliveries and why do I say that. The existing section 19 subsection (5) provides and says, Mr. President, "That deliveries of sugarcane accepted by manufactures shall be paid for at the current

price for sugarcane less any zest that may be levied under this act.” The proposed amendment now reads, Mr. President, “That where any manufacture intends to accept deliveries of sugarcane”. They’ve not included the optional, they are now giving the manufacturers this right to see if they will accept sugarcane deliveries or not. Why is that important, Mr. President? As Senator Shoman has pointed out, we see what clearly is in the making, the development of a situation similar to the United Fruit Company. Where we now have a situation where the manufactures, they themselves could in fact be the sole producers of the sugarcane. So, they produce the sugarcane and they sell it to themselves and they will grind it and they will export it. What that does, it puts at jeopardy every small cane farmers so that if the manufacture has the option to decide to refuse deliveries. Small cane farmers or as Senator Andrews has said are PUP cane farmers or a cane farmer who the manufacture may dislike or have an issue with, could simply refuse to accept those deliveries. That was never the intention of this act. This act was propagated to protect the cane farmers with this proposed amendment, Mr. President, you are putting the cane farmers in jeopardy. You are putting the small cane farmers in jeopardy. It would be quite easier for the manufactures to deal with, on a mass scale, a cane farmer who produces, say in excess of 50,000 ton as oppose to one who only has 200 ton, so, that these small cane farmers, they are the ones who is quite possible, the manufactures, the millers could refuse to accept the delivery of their sugarcane that is the consequence of this proposed amendment. And this has far reaching consequences, Mr. President. This has extreme far reaching consequences and this is the point that has been made and this is the point that both Senator Shoman and Senator Andrews has pointed out. Here it is that we have a legislation which in fact facilitates, that actually facilitates the possible destruction of cane farmers. (Applause)

That cannot be a good thing, Mr. President, it cannot be a good thing. Particularly, in a climate where it has been sure we have a Government who because you are in disagreement with, may call you names, they use all type of

intimidating tactics to try to suppress and course you. And by the way, Mr. President, this tactic of the Government, in particular, the Prime Minister calling people name. You know, in fact, Mr. President, this is actually you have a psycho therapist Beverly Ingalls, who refers to this as emotional abuse. (Applause) It is a behavioral design to control, intimidate, subjugate, demean, punish, or isolate another person through the use of degradation, humiliation or fear. This is what has been sort of being done with respect to Ms. Matura, Mr. Ortega, Mr. Teck, Mr. Kenny, and all law and decent abiding citizen of this country. Who have seen what this amendment to the Sugar Industry Act is all about? It's about a Government facilitating and helping a multinational rather than seeking to create a balance which puts cane farmers, which put Belizeans on good footing.

The amendment to section 19, Mr. President, in particular, I say has far reaching consequences. It has c change consequences. The implications, the ratifications of this, Mr. President, regrettably and unfortunate, we will see in the future but this is why we are here because there are certain guide post, certain signs which are apparent, which all of us can see. I dare the Leader of Government Business to explain why it is, if he shares a different interpretation of what's the amendment to section 19 intends to do. Why is there a need to include the provision and the wording, which says, "Where the manufacture intends to accept the delivery." If it was a situation where there are not attempting to give the manufactures, the millers this option. Then why include it? The law words have meaning. And I could tell you any lawyer who would represent the manufacture would take those words to mean that the manufacture doesn't have to accept delivery of sugar cane again. They don't have to. (Applause)

Mr. President, I really hope that my friends on the other side would consider this because this is very important and it's beyond just us being here this morning debating this. It has far reaching consequences where it is quite possible. It's more than possible, it a realistic possibility that with this amendment small cane farmers would be obliterated. There will be no more. And as Senator

Shoman elegantly articulated it, it would be a position where the manufactures, they become the cane farmers, replace this hard working people who for decades, it's a life blood, and the main stay of the northern part of our country. (Applause)

And with those few words, Mr. President, those would be my contribution to this Bill.

**SENATOR D. GUTIEREZ:** Thank you, Mr. President. Mr. President, I do take the opportunity to thank the Members of this body for their warm welcome. Certainly appreciate that, needless to say it is an honour to be here representing the interest of the private sector.

Mr. President, with your permission I have short prepared remarks. Mr. President, the private sector rises in support of the rule of law and of the amendment to the Sugar Act thus enabling Belizeans a constitutional enshrined diversity in options for negotiations and consequent delivery of the sugarcane. Honourable colleagues, in 2010 the Supreme Court ruled that the Sugar Act as it now stands violates the freedom of association by forcing the farmers, one association...

**MR. PRESIDENT:** What is your point of order, Senator?

**SENATOR L. SHOMAN:** On a point of order. It did no such thing. There is no such ruling. There is an order of the court only which was made by consent. There isn't a ruling. I am sorry, Mr. President, I couldn't let that stand on the record. My apologies colleague, I don't make it a practice to interrupt but that one I think has to be looked at.

**MR. PRESIDENT:** You can continue, Senator.

**SENATOR D. GUTIEREZ:** Thank you, Senator Shoman. We have been advised by the legal minds otherwise, I thank you for that. For whatever reason the status core remain and the Sugar Act was never amended. Now, we can spend hours and perhaps days discussing why the changes never came. The undeniable fact though is that the Act in its unconstitutional form festered and while only a crystal ball could tell us then where we now are, it is not a stretch to suggest that the inaction on the court's ruling has been one of the many contributing factors to the problems we now face. Whatever the reason, the exile of this court mandated amendment has now been quickly entered and with it perhaps an opportunity not so much to discuss 2020 hindsight for that will take us nowhere but rather as a precautionary note against delaying the improvement of out dated legislation for whatever excuse and regardless of who is in Government. The optics of this hasty parliamentary venture fuels discontent, division, and cynicism. That could have been partly, and I said partly, because I am not naïve. Partly avoided the changes to the bill came before the crisis. (Applause)

Our hope is that as a people, we would have learnt from this and repeat it not. Today, colleagues, today our responsibility is to improve upon the laws as prescribed by our courts, I know that Senator Shoman says otherwise, and thereby foster in our society the rule of law. Now, let me be clear the private sector stands unambiguously on the side of law and order and thus we move in this regard this Honourable forum. But we also understand that at stake is the livelihood of thousands of Belizeans from all walks of life. These are people who because of ambitions, machinations, inaction and conspiracy of a minority, from many different interest groups, many stand to lose it all. Colleagues, in our democracy it is understood that we in this chamber rise above the political flavor of the moment and act in the best interest of our people, their children and their grandchildren.

In the book, *Third World to First World*, the story of Singapore, written by B. Quan Yu, the father of modern Singapore. It is said that and I paraphrase, "I

may not have always been politically correct but I was correct.” Ladies and Gentlemen, leadership prescribes that we stand for something. The private sectors stands unreservedly behind many Belizeans who stand to lose. Let us not forget that if there is no crop, the tacos vendors lose. If this impasse continues, the credit unions and their thousands of members lose. The stores in Orange Walk lose. The manufactures in the rest of country who sell their products in the north lose. Ladies and Gentlemen, may be somebody wins, maybe, but as Belizeans we lose and that is unacceptable. The private sector stands behind the long term viability and predictability of the Sugar Industry for that the rule of law in the industry must prevail. The hopes and the futures of too many depend on it, private sector is resolute. Every Belizean, man and woman has a constitutional right to decide for him or herself without hindrance or intimidations. Who will act on his or her behalf? I thank you, Mr. President.

**SENATOR REV. FR. N. LESLIE:** Mr. President, I rise to speak about the Sugar Industry (Amendment) Bill, which is before us today and I ask permission to just read from my text.

First of all, I must say that it is wonderful to know that impasse is coming gradually coming to an end and that soon the delivery of cane will commence. That indeed is good news as we all know, the Sugar Industry is a major source of foreign exchange for our country and a better source of income for both the people in northern districts. The failure of such an industry, even though, would disastrous economically to a country often we’ve seen in the past, Mr. President, the struggles which this industry endured and ways and means found to get it going again with renewed dynamism. Mr. President, even though, the upset as far as the Bill is concerned, the attention will still endure some quarters. I see it as necessary a serious and meaningful discussion continues for the betterment of the cane farmers and of the industry. Mr. President, we know that with a new bargain the cane as more value. And, Mr. President, it is absolutely necessary that the

manufacturers, the farmers, the Government, cooperate all fairness with each other for the benefit of our concerned. Mr. President, we also know that they are posing forces as far as the Bill is concerned. But we know there are those from both parties who say that it is necessary that the delivery of cane crop commence as soon as possible.

Unfortunately, we know that the tensions were so great and in need so great that there is a feeling that some of the farmers shall compel to sign on. Mr. President, it's important to sign on. Mr. President, the important that a small nation like ours should be able to negotiate in honesty, the fearlessness, and strength. Too often, Mr. President, large populations use their might and their wealth to accomplish their goals. This we have seen happen in several countries in the past. In this erratic land of ours, Mr. President, we as Belizeans must be ever on our guard at the welfare of our nation and people they will always be of top priority. It's important that our cane farmers that they will always be represented on all significant boards. They will decide what will happen to their produce, the produce that comes from their fields. It is also very important, Mr. President, that local cane farmers be watchful and knowledgeable about the potential in the value of their produce. Today, the bagasse ethanol, tomorrow it could be something else. Mr. President, once I must that that is good, that delivery of the cane crop will commence. Unfortunately, it has to be done under these heavy circumstances but it is good for people and democracy to voice their feelings and opinions on matters that affect their lives and their future.

Mr. President, I must mention though that, you know, I got my documents yesterday. I am little concerned about the whole thing what will it be all about? What will I say and so forth? But happily, I be addressed before 5 or so, I got it, which meant it have to do some quick reading and then, Mr. President, last night to be able to look it over and prepare some reference to it. But, you know, as was mentioned the other colleagues here today that yes it is important that wider consultations take place with those who are deeply concerned about this matter.

And I hope that in the future, documents with major importance would be delivered to us as soon as possible. I, thank you, Mr. President.

**SENATOR R. DAVIS:** Thank you very much, Mr. President. When the ASR Bill was presented and the union supported that bill from their outset, our concern had been about the continuous and acetous monetary after the passage of the bill. From the outset we were concerned about the farmers. We were concerned because we recognized in our parlance that we were letting the wolves among the sheep. We suffered no illusions that a large company was coming in to our economy for any reason other than to make money and not from any altruistic disposition that they may have had towards us. In reading through the political overtones and undertones on this issue which has been a chore of somewhat. We still have to underscore the trade union issues that have emerged. To expect that trade unions would not address issues that impact their existence is not realistic. When we talk about negotiations, we will always have vested self interest on this issue and we pay stock on any appearance of imbalance.

From the outset we said that the farmers were in a bad position. From the outset we in underscoring where the sugar industry was and giving a reason for us to have an agreement with ASR, we understood what that meant. But, we felt that the farmers really needed, if we were speaking in terms of equity, for them to have palpable support from the legislators. We will always be concern about the climate in which negotiation are held. It was to be expected that the unions would have an issue regarding the timing of these negotiations. So, it should have been no surprise and there would have been no need for any recommendations in terms of the union activities with regards to this issue.

Freedom of association is, of course, a bedrock trade union principle that we rappel with continuously. And from our advantage point, the cost of the level of expertise within associations, there is always room and scope for the respective Ministries that those association are connected to with the Government system for

there to be support in our movement, the trade union movement. There is a relationship with the Ministry of Labour. So, when it comes to our interface, we get that kind of support from the Ministry, in terms, of training etc. that we do. Leaving an association out there on its own and expecting that you will get the kind of information, the kind of actions from them without support and the support is not, in terms, of influencing or any other nefarious reasons, it's to make sure that your partner in development is properly resourced to give you the kind of response, the kind of response that helped them to participate effectively.

As I listened to the discussion and I look to 2017, it seems to me that all this will pail to insignificance, really, if we do not together confront the reality of 2017 where the European Union will change the quota regime. I think we need to focus now on the future because if we aren't ready for 2017, we won't even have an industry to talk about. Thank you.

**SENATOR G. HULSE (Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality):** Thank you, Mr. President. Mr. President, as I listened to my colleagues on this matter. There are a number of points I think we have to lay the facts. I appreciate that, indeed, all the speakers recognized the right to freely associate because that is what the bill is really about. But before I get there let me back pedal to a few things. I want to reiterate the point and I am sure that the representatives from the private sector will concur, reiterate the point that in this whole process the discussion, the agreement, document, everything, centered around commercial agreement between two parties. Farmers should never be pitched in that position which would tend to demean them as the poor struggling ignorant little people that needs a savior. The farmers are genuine, hard working, intelligent savvy Belizeans with what they do. The B.S.C.F.A which represents them, Mr. President, is not some putrefied little association, *hurry come up*, it has 55 years of history, it has senior executive,

highly paid people. I understand that some of them are paid higher than Minister. It has money, it has attorneys, it has capacity to negotiate. In fact, a colleague from the Opposition side yesterday said the very same thing, he says, “A.S.R B.S.I was shocked because they never thought that they would have encountered such capable and efficient negotiators.” So, let’s start with that, the B.S.C.F.A as an entity negotiating on behalf of their members and it’s not an NGO and it’s not a trade union, similarity to unions but it’s a business association, aiming to do three things for their membership and I will elaborate on those a bit. B.S.I. A.S.R on the other hand is a business enterprise. There is no two ways about that, aiming to make money that is why they’re in that business.

But one must not forget that before we even knew the word A.S.R and what it meant, there was B.S.I, Belize Sugar Industries. Almost holy and completely owned by the people of Belize, those people who work at that factory. And I have heard this Smith, time and time again that, in fact, Tatum Lyle loan and what not and Tatum Lyle had 9%, Government of Belize had 10% and the BSI employees holdings which is owned by the employees of factory had 81% that was the composition. And from way back then there was always discussion and difference between B.S.C.F.A and BSI. But what are the facts. BSI at that time prior to any advent of ASR was unable to see its way. It had huge loans Inc. Bank was the only bank carrying them. In 2012, the signal had been sent by Inc. Bank that on September the 30<sup>th</sup>, *no mas*, goodbye, *adios*, we are gone, we can’t deal with you any more for two reasons. Mainly, one: you were not earning enough revenue from cane, the 35 cent on the dollar you were getting was not sufficient to enable you to pay your loans and pay your way. You had no additional cane. The crop was too small. You needed serious expansion and so they could not continue to carry the loans and the overdraft especially the overdraft which was important. Because and this point may not be lost, when the farmer delivers cane to BSI back then and now, he is paid on the Friday following his delivery, 80% of the agreed estimate, remember that. No sugar is produced

yet, the first shipment of sugar from that cane that comes is around 6 weeks to 8 weeks, the first shipment that goes out. So, the company needs to find the money and that amounts to roughly about \$15 million dollars and that is why the Government of Belize in 2010 had to bail BSI to enable them to have that money to put in the farmers hand firsthand. And so I don't go off on a lot tangents, let me deal with that payment because there was a lot said about that payment.

Mr. President, you know, in fact, my esteem colleague, Senator Sylvestre knows because he has been involved a bit, everybody who is been involved in the sugar, the people up there clapping know that the reason you cannot pay the farmer a 100% for the cane when its delivered is because one: you do not know the final price, the 65/35 is a payment formula to ensure equity and balance between farmer and miller. And I am here to tell you that when Banco Atlantica was looking to invest in that company that can no longer go beyond September the 30<sup>th</sup>, they said thus, that 65/35 will not stand with us because nowhere in the world there is paid in that ratio. The Government of Belize said you must be crazy the 65/35 will stand. ASR, I can tell you this as a fact said similar things, we would have to look at that ratio. Government of Belize said oh no, that 65/35 must stand. The formula, ladies and gentlemen, is a payment formula for the product. However, you cannot know the final figure because you do not know the composition of molasses and sugar that will be produced. Nobody knows that, that is the first reason and also uncertainty of the specific markets in which the sugar will be sold, be it the USA, European Union, CARICOM, our world market. And so, 80% is paid to the farmer and 20% is paid in about the fifth Wednesday, I think it is, after the crop and the last amount, 5% to 8% is paid sometime around the first week in November. That is reason for that payment. Has happened, is happening, and will continue to happen, that is the first thing, let's get that clear. So, there is no advantage taken of the farmer in terms of that payment. Government of Belize would never stand for it.

But the second point that must reiterated which I have heard is, “Oh, the farmers don’t know the figures that are being paid and the company can say anything.” Come on, man, I’ve just said it is not a bunch of little people who are in the dark wood. The farmers representatives, the B.S.C.F.A are in step, in sync with the invoices, the documents, the sale, every single step of the way they have been and continue to be and if anybody took time to read the agreement they will see that it is clearly spelt out there and everybody in here including my colleague, Senator Sylvestre, who is an eminent attorney can be retained by them just like my esteem colleague, attorney Audrey Matura or Chris Coye, to seek to ensure that those documents are fine. There are umpteen accounting firms in this country that are associated as well, Standler Muff, Price Water House, Baker Tillet, all sorts of firms. That is the first point I wanted to lay clear.

So, if farmers came, farmer’s representatives came and said, “Look, we are being squeezed on the price. They want to change the price. They don’t want to give us the information, they want to only pay us 50% now and not the 80% that used to be paid, there would have been a massive case for the Government to say, “Absolutely not.” Because, colleagues, there are three things the farmers want. There are three things any farmer want and I can speak with confidence because I have been in this business for forty years as a farmer. You want to be able to sell your crop, that is the first thing. The second thing, you want to be assured that you will be paid and the third thing, you want to assured that you are getting the best price you can possibly get for your crop, especially, when you are at the commencement of the production cycle not the processing. And so those are the three things the Government has ensured and maintain on behalf of the farmer through their representatives, the association.

So, I spoke about the payment now let me talk about the next one which is the delivery. And, Senator Sylvestre said the bill talks about intend. Well one of the reasons they have an agreement or wanted to have an agreement and have one now is for that very purpose because at section 2(3) in the agreement, if you had it

and read it before, back in September when this was being negotiated and again, up until December 14<sup>th</sup> when that assembly of the farmers agreed unanimously to accept the agreement. There was an objectionable clause that says, “BSI reserves the right to reject cane.” And the Government of Belize, the Prime Minister himself, wade in to say, no man, because BSI is always also a producer of cane, they cannot reserve the right to reject that has to fall under the ages of the SCPC in accordance to set standards of criteria and if you read the agreement, you would see there are three pages of set standards of criteria for any rejection. But the law is and I know my colleagues know this that a buyer would normally in the normal circumstances of thing have the right to reject any product but it can’t force to buy but to create equity for that very reason so the small farmer would not be taken advantage of. SCPC has that right and only them in consultation with, of course, their team and a standard set of criteria.

But the third point which is very important which was been raised over and over and over. The presiding over this dismemberment and the alienation of the farmer and eventually the company alone growing cane, now, that is a wonderful statement. And it’s one that could stick if you say it long enough and if people believe it long enough and if people become emotional enough but let’s look at the facts. The company has 120,000 tons, I think it is, that quota was given to them back in 2001, it’s not been changed, not a tonnage more has been added. But, let’s not argue about that because maybe you could added through the SICB. Look at the geographical and the practical way to produce cane. It’s done in the only in the two northern districts. There is a limited amount of territory. You cannot, if you wanted, if you even tried expand to the extent that the factory would make sense to the detriment of farmers. How on earth you are going to be, in fact, I am here to say, and my colleagues can bear witness to this today that in the Cabinet. When that issue was debated, I wanted to include the Belize district in the growing and the delivery of cane. For what reasons, because there are several farmers in the Belize district that grow cane but they cannot deliver cane

to that factory because the law prevents it, and what did the Prime Minister say, never going to have that happen because we don't want no situation where the small farmers in the north could be disenfranchise. I was looking after the farmers in River Valley. I am here to tell you that BSI that there are farmers in the River Valley who tried to deliver cane and it was totally turned back and rejected. And they are presiding over their cane in their field that they can't sell at this moment. That is fact not fiction.

Point three which is important. I have not heard, Mr. President, in all the discourse what exactly, specifically, was the issue to be addressed in this so called bad agreement that caused the overturn at the second meeting. What was it? Was it payment on time? Was it right of delivery? Was it right of rejection of cane? What exactly was it? And I have asked my good friend, Lucilo Teck, who sat at my house one Sunday afternoon looking at this and talking about bagasse for example. And when I looked at the agreement, here is what the fact say, before this crop there was no payment for bagasse, none. That thing had been on the table from way back in the early 2000, in fact in the 1900's, it was on the table, the concept of paying for bagasse. Why is that? Because as I said already there is a payment formula that says what you get out of molasses and what you get out of sugar combined taking out what is called the neck strip value that will be shared 65/35. The farmers had no interest in bagasse before a plant was built that is now using all the bagasse. And bright rightly so, they had no interest in bagasse because at that time the bagasse was just a pile of waste, 70% of it had been used long ago to produce the steam and electricity required to run the plant to process the sugar and the molasses. That is fact, seventy percent, seventy point something but seventy for round figures. Thirty percent was piled up there in a heap, in a jungle, in a just a pile of waste, trash, bagasse had zero value. So, there was no money coming out of bagasse so the farmers had no right to clamor at that time. But when BSI decided to get into this whole co-generation which is a lengthy history and to use the remaining 30%, the 30% now had some value. And the

farmers rightly said, “Well look you are making sugar out of my cane, you making molasses out of my cane, you are selling it and now you are selling my bagasse and apart from the 70% that was used to manufacture and process, you are selling my 30% so we should share in that too?” and BSI said, “No, no, no that’s a waste, that’s a waste product and it was ours and when it used to pile up there you never wanted to pay us to cart it away it was a cost to us but now that we are making money and we had to invest in this thing and you never put one cent investment now you want to share in the revenue.” That was BSI argument.

The Government of Belize held a press conference at the Biltmore for those of you who remember and before in Cabinet when it was discussed I wade in and I said, “Prime Minister, bagasse can be seen in terms of its utilization now because it is a solid fuel.” And the Prime Minister jumped on it and said, (snaps finger) “That’s the key.” And in that press conference at Biltmore he mentioned it, he says, “Senator Hulse sitting next to me, who made a contribution from his engineering perspective saying its solid fuel gave me the key that has some value and so BSI, man, you have to talk to the farmers.” That was Government weighing in big time. And so the discussion opened and now we got back and forth on how you would to pay it and not pay for it and what the value is. This is what is in the agreement. This was what was concluded so I’ll try to put it in the simplest language. One, you distermen what percentage the cane is the fiber, is the bagasse and that is determine as 15% that is not for attorneys, our accountants to determine that is engineers. And enough top qualified Belizeans engineers are around on both sides of the political spectrum if you wanted to go there. Fifteen percent, nobody is arguing about that, so 15% of the cane is sold is what is bagasse. Of that 15%, 70% goes to produce the sugar and molasses and the other 29 point something round it off at 30% is now what is producing this extra electricity that is being sold to BEL and Belizeans. And so, in the formula and the negotiation, they agreed that ok so if it is going to be 15% of the fiber that is like a 166,000 tons of last year’s crop which was 1,78,000 ton. And of the 168,000 ton

of bagasse, 48,000 ton which is the 30% is used to produce electricity for BEL. So, we should really pay for the 48,000 ton and what should we pay the 48,000 ton at? We should pay it at the price of the cane which last year was \$74.20 a ton average which was an extremely good price over the years. And so, if you take the \$74.20 which is the price of the cane which produce three products now sugar, molasses and solid fuel. And you say what percentage is the sugar? What percentage is the molasses? And what percentage is the solid fuel? It worked out, of course, to 15% or \$11.43 per ton. So, BSI says, "Well, for 48,000 tons of bagasse that we are using to produce BEL electricity, we will pay you \$11.43 a ton." Thing done. So if that was the quarrel bring in the engineers, bring in the accountants, bring in the legal people but don't bring in knives. You don't need to bring in a consultant, bring in your good top quality Belizean and I could run off the list of engineers, run off the list of accountants, and run off list of attorneys and that would have been the constructive proper way to deal with the matter and say to the farmers, "Small farmers, we don't expect to put that burden on you but we your representatives are telling you that this is the proper way to do."

Now there have been other engineers around the world who value solid fuel on different criteria that is fine, put that also on the table. But have a good logical balance factual discussion about this matter. So where are we now? We are at this first crop, farmers are now going to be paid whatever the final price is estimated at and agreed for sugar produced from their cane, molasses produced from their cane and the portion of bagasse from their cane that is used to generate electricity. Man, how can that not be a win? How can that not be better than what used to happen? That is what the facts are.

But let me go a little further, the farmers wanted to ensure ownership of the cane and I will demit to the attorneys because I took the opportunity to look at the International Sale of Goods Law and the International Sugar Act etc. because I was concerned about the ownership issue. And I found out depend on where you are that ownership is passed at different times and it has something to do with

intent to transfer ownership which is a little separate from payment. I will stop there because my two legal colleagues will correct me but that portion I am sure of because I read it, looked it up and went through it. And I do happen to have, I am so interested in, trade have always been, especially international trade of goods because I used to sell a lot of rice that look at that. However, the ownership issue for the farmers was premise and this is what I was told and I could call the names and I will even though it's not the right thing to do but it's not adverse say it. People like my good colleague, Mr. Aban, whose been in the association a long time, people like Mr. Lucilo Teck, people like Mr. Fredward Ortega, all the people, Mr. Magaña, when they were going to court.

The issue of ownership was simply to ensure that whenever products other than sugar or molasses comes out of the cane that they would have an opportunity to share in revenue derived there from. Put them in a good Creole. They had such a long fight to get money for bagasse and BSI kept saying, "It's waste. You never had to pay when we throw it away. We bore that cost, now that we build the plant, and we are using it, you want your share in it." And that debate was going back and forth. The farmers said, "Oh no, back then we never really got no value, you were not making no money from it and now it has some value and we want to share." And the ownership issue is so that if there is any future thing being coming out of the cane, they also want to share. And so in this agreement what is stuck in a 35 for anybody to read it says, "Notwithstanding the above provisions," which is how it will be paid for bagasse, sugar and molasses, it says, "If BSI determines that the development production and sale of a new future byproduct is economically valuable whether or not the cane farmers invest." Whether or not they invest because BSI was saying you want bagasse but you never invested. That clause I am here to tell you was put in by the Government of Belize in negotiating process to say, "No man, they don't have to invest. Why would they have to invest to share?" whether or not they invest, the parties will engage in discussing the investment and negotiate any potential investment and all, revenue

participation by members for the purposes hereof the parties recognize that the effective date and value added of valued products are limited right now to sugar molasses and bagasse. So the fact that in the future they start to make plastic or something that engineers come up with. The farmers have a right to share a portion of the revenue to be negotiated in accordance with proper commercial terms. That is the ownership issue. So ownership issue, deliver issue, payment issue, I am still to hear and I won't use, I agree with some colleagues who talked about all kind of name calling, I don't cut from that kind of calling.

Mr. President, may I excuse myself. Just to say, in accordance with Standing Order No. 10(8) I move that the proceedings on the Order Paper may be entered upon and proceeded with at this day's Sitting at any hour though opposed.

**MR. PRESIDENT:** Honorable Members, the question is, that the proceedings on the Order Paper may be entered upon and proceeded with at this day's Sitting at any hour though opposed.

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

You can proceed, Senator.

**SENATOR G. HULSE (Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality):** Thank you, Mr. President. So, I want to get now to this whole issue of disregarding or eliminating the small farmer and to say that yes it is a multinational. It did 6 million tons of sugar, we only do a 100,000 tons, hardly can show on your computer if you try to divide. But when ASR came in and due must be given where due is due. They took at their cost a bunch of farmers up to Oakilanta to show them and I was, when I had gone before to see their plant, long before this negotiation got under way, I was surprised when I walked in there to say, "What is John Gillett doing here?" because the manager of that plant could be John Gillett's twin and I always tease

him about it so I can say that. They had taken an identical plant like the one we have BSI in this country and move it up to 25,000 tons a day. And then they bought San Nicolas and they move that one also up in the last four years to 5 million tons of cane from 2 point something. Because that is the idea they want a lot of cane and the principal said to us at that time, “Boss, we would want 4 million tons out of Belize. We don’t have enough land.” They will never, they would be stupid, they would be foolish, and everybody involve in the industry would be doubly foolish to think that they would take their 130,000 ton and take some smaller amount of cane and call it a day when in fact the first shipment of sugar that goes out here, check the record, can never be less than 12,000 tons because that is a small ship and they don’t even want to come. There were times when BSI was struggling to get that size of ship. They told the man you would have to full 18,000 tons, you know. People don’t realize that we are filling at a rate of 700 tons a day so it takes 21 days to full the ship, 21 long days with the ship out there at the port and demerge cost of US\$8,000 a day. Ship is waiting while we carry barge back and forth, back and forth, back and forth, we’ve been talking about pier and port forever. And when it gets to Jamaica, they could that in half day and in Liverpool, they do it in 2 hours, *voop vap*, the whole shipment goes. Twelve thousands tons goes from the Belize market. Do the mathematics, man, 12,000 tons and 18,000 tons in one shipment, 30,000 tons of sugar, 300,000 tons of cane which fool in their right mind would have a plant on it to produce that. It would make no sense at all.

So the company is not there not to squeeze out. Why would they? It doesn’t even make commercial sense. They are there to expand and I tell you the 65/35 is cast in stone, I told you that already. I am sure another government, any government, the people of Belize, having heard this heated discourse of the last 3 weeks would never stand for any company to cut that basis. In fact, it goes beyond that, you know, beyond that, when we were negotiating ASR said, “Why would I invest when I could wait and buy it for a song on the dollar because g it

will be going into receivership and pay the farmer 50/50.” And we said, “Yes, you won’t do it Belize.” Whatever we have to do even though the next competitor to ASR is imperial and if you google it, you will see imperial has been sold recently for \$6 or \$7 to a Netherland multinational group because they were going bankrupt, that sugar is a big deal. But a responsible Government does three things. It ensures equity as best as possible between the two parties and everybody wants the maximum and the best deal. That is for sure. And it ensures the overall interest of the nation because, as I think my colleague said and other colleagues have said, it is not only ASR, ASR has two people in Belize I think that are from their head office, the rest are Belizeans. It’s the livelihood of all those Belizeans, some three hundred and odd people, and they never made any redundant and never asked us for work permit to bring in any new people in that plant. So all Belizean are there, from chairman Niseni Burgess, and some of them spit at me really and say, “Oh, those things are token.” Man, please, man, please give our colleagues some respect.

However, the livelihood of those people would be at stake. The electricity for all of Belize would be at stake because if co-generation under the PPA was not allowed to produce because they had no bagasse would import from Mexico at peak period it should be very expensive. Senator Grant, Minister Grant can attest to that. The stieve of those lives would be at stake, they’re up there loading the molasses and the sugar. The cane farmers’ lives would be at stake. Sugar would be imported and everybody knows, in this country, everybody knows that Belize country had the cheapest domestic sugar. Everybody knows that, that is no secret and that is because Government has kept it there. Despite repeated request by cane farmers and BSI to raise the price, kept it right at that price. So, all of that would suffer. So, yes, ladies and gentlemen, there is a lot of politics and rightly so everybody jock is for position and support but let the facts stand, man, let the facts stand.

In December 14<sup>th</sup> when the farmers agreed, 18 directors were on that podium, they had an attorney who is no *fly by night*, *Johnny come lately*, a seasoned commercial attorney. They had worked their agreement, clause by clause from September when the bagasse issue, when the rejection of cane issue, Government stepped in and wade in to try to make sure that BSI ASR maintain equity and balance that there is going to be some payment for bagasse and all the rest of things. All of that happened and the farmers unanimously agreed. And unfortunately, very much unfortunately, because I think and I won't dabble into that because I don't know, I understand, understand is a better word, that there was a codicil or something that says or clause that says, if three directors don't agree or some sort of such thing, you can go back and when they went back the second time the very same agreement that they had agreed to in December the 14<sup>th</sup>, the very one they now signed was overturned by those who had pushed that point. But the farmers representatives never got up and said collectively, look, in fact, subsequent to that they went branch by branch to get agreement and wrote a letter saying, "We have agreement of all our branches and we want to sign this agreement." And other farmers decided that no, this is waste of time, we want to sign. And because in 2010 the court, the consent order had said, people have the right to associate. They said well we want to associate, we don't have time this, we want to sell our cane. We understand the issue that was what was said by those. And that is why today to give support to that concept, to give support to the concept, my colleague said and all of you said, the right to freely associate. This is not a dress, you know. And let us be clear, one thing in this country, let us not be hysterical, this is one country where I pride myself in an old phrase that said, "Every circus that comes here is broken up." And I am here to say and you know this my good Senator because you've been Minister of Trade and you've been in this whole negotiation and all of that that if you talk bananas, out there is Belizean banana farmers and they are big farmers, citrus, big Belizean citrus growers and they battle and twist until they get it right. And so nobody is going to tell me and

be assured my young Senator friend, be assured, the small citrus farmers are not out of the door. No, no and the small cane farmers will not be out of the door. You can card that rhetoric all you want. The fact of the matter is that that may be a healthy and a genuine political record.

But I am here to tell you that this side of this Senate would never sit by and allow the rejection and the overturn of any single farmer if he only have 5 ton, 500 ton or 5,000 ton. (Applause) And so, Mr. President, in winding this up because they say it is going to be an early day. I want to say to each and every Member here, you could go on with other clarities but not supporting this, a respective of the views about what Government wants to do or Government doesn't want to do and Opposition did and didn't do. No matter how you feel about that. Not supporting the cane farmers right to freely associate. A right that they went to court to try to establish in 2010, when there was no pressure on except, and my young colleague wanted to know what was the reason for the delay, the delay was because Government did not see it expedient to move to give energy and traction to this. That was the cane farmers doing, that was not Government at the time nor BSI. In fact, there was no ASR around at that time. And the cane farmers of that time, some of them, they were united cane farmers and the Corozal group wanted to get out of the malaise of the B.C.F.A at the time but Government gave no traction to it with the Bill, it just said it will fall away because the court have so said. And those same farmers, again, because of the division within the association and the fact that the leaders of the association allowed people who had no right of representation was not their spokesperson, was not their legal attorney, was not their chairman, was not their secretary to hijack their meeting caused this. The other farmers said, "No mas. We also have to move because we want to sell our cane." And so today all we are doing no matter how you feel about this Government, no matter how you feel about the issues is to give all farmers the right to freely associate that is the central issue of this Bill. The farmers' right to associate with who they want in the production and

delivery of cane. And I am here to tell you that there cannot be because it would be fool hardy and foolish, any conspiracy to destroy the little farmers in the face of the multinationals if we stood for that then you would have to negate the Chamber of Commerce, you would have to negate the unions, and you would have to negate the church with their social justice conscience and definitely you would have to negate to us. Mr. President, I move that the question be put.

**MR. PRESIDENT:** Honourable Members, the question is that the Bill for an Act to amend the Sugar Industry Act, Chapter 325 of the Substantive Laws of Belize, Revised Edition 2000-2003; to bring the Act into conformity with the Belize Constitution; to secure to all cane farmers the freedom to belong to an association of their own choice; to facilitate the commencement of grinding seasons in a fair and equitable manner, taking due account of the legitimate interests of all stakeholders; and to provide for matters connected therewith or incidental thereto, be read a second time.

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

## **II COMMITTEE OF THE WHOLE SENATE ON MOTION AND BILL**

**MR. PRESIDENT:** Honourable Members, in accordance with Standing Order 54, into the Committee of the whole Senate to consider the Bill that was read a second time.

Honourable Members, I will now take the Chair as the Chairman of the Committee of the whole Senate.

I would also like to ask the visitors in the gallery to please leave at this time. Thank you.

(In the Committee of the whole Senate)

MR. PRESIDENT in the Chair.

**1. Sugar Industry (Amendment) Bill, 2015.**

Clauses 1 to 19 agreed to.

Bill to be reported back to the Senate without amendment.

MR. PRESIDENT in the Chair.

**III REPORTING AND THIRD READING OF BILL**

**1. Sugar Industry (Amendment) Bill, 2015.**

**SENATOR G. HULSE (Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality):** Mr. President, I rise to report that the Committee of the whole Senate has considered the Sugar Industry (Amendment) Bill, 2015 and passed it without amendment.

I now move that the Bill be read a third time.

**MR. PRESIDENT:** Honourable Members, the question is that the Bill for an Act to amend the Sugar Industry Act, Chapter 325 of the Substantive Laws of Belize, Revised Edition 2000-2003; to bring the Act into conformity with the Belize Constitution; to secure to all cane farmers the freedom to belong to an association of their own choice; to facilitate the commencement of grinding seasons in a fair and equitable manner, taking due account of the legitimate interests of all stakeholders; and to provide for matters connected therewith or incidental thereto, be read a third time.

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

**ADJOURNMENT**

**SENATOR G. HULSE (Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality):** Mr. President, I move that the Senate do now adjourn.

**MR. PRESIDENT:** Honourable Members, the question is that the Senate do now adjourn.

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

The Senate now stands adjourned.

The Senate adjourned at 12:15 P.M. to a date to be fixed by the President.

**PRESIDENT**

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