

## **BELIZE**

**No. HR4/1/12**

### **HOUSE OF REPRESENTATIVES**

Tuesday, 8<sup>th</sup> March 2016

10:16 A.M.

---\*---

Pursuant to the directions of Mr. Speaker on the 26<sup>th</sup> February 2016, the House met on Tuesday, 8<sup>th</sup> March 2016, in the National Assembly Chamber, Belmopan, at 10:16 A.M.

#### **Members Present:**

The Hon. Michael Peyrefitte, Speaker  
The Right Hon. Dean O. Barrow (Queen's Square) Prime Minister, Minister of Finance, Public Service, Energy and Public Utilities  
The Hon. Erwin R. Contreras (Cayo West), Minister of Economic Development, Petroleum, Investment, Trade and Commerce  
The Hon. Patrick J. Faber (Collet), Minister of Education, Culture, Youth and Sports  
The Hon. John Saldivar (Belmopan), Minister of National Security  
The Hon. Michael Finnegan (Mesopotamia), Minister of Housing and Urban Development  
The Hon. Manuel Heredia Jr. (Belize Rural South), Minister of Tourism and Civil Aviation  
The Hon. Anthony Martinez (Port Loyola), Minister of Human Development, Social Transformation and Poverty Alleviation  
The Hon. Rene Montero (Cayo Central), Minister of Works, Transport and NEMO  
The Hon. Wilfred P. Elrington (Pickstock), Minister of Foreign Affairs  
The Hon. Pablo S. Marin (Corozal Bay), Minister of Health  
The Hon. Hugo Patt (Corozal North), Minister of Labour, Local Government and Rural Development  
The Hon. Edmond G. Castro (Belize Rural North), Minister of State in the Ministry of Transport and NEMO, Deputy Speaker  
The Hon. Dr. Omar Figueroa (Cayo North), Minister of State in the Ministry of the Environment and Sustainable Development  
The Hon. Frank Mena (Dangriga), Minister of State in the Ministry of Public Service, Energy and Public Utilities  
The Hon. Beverly Castillo (Belize Rural Central), Minister of State in the Ministry of Immigration  
The Hon. Tracy Taegar-Panton (Albert), Minister of State in the Ministry of Investment, Trade and Commerce  
The Hon. Elodio Aragon Jr. (Orange Walk East), Minister of State in the Ministry of Culture, Youth and Sports  
The Hon. Dr. Angel Campos (Corozal South West), Minister of State in the Ministry of Health  
The Hon. John Briceño (Orange Walk Central), Leader of the Opposition  
The Hon. Cordel Hyde (Lake Independence)

The Rt. Hon. Said Musa (Fort George)  
The Hon. Rodwell Ferguson (Stann Creek West)  
The Hon. Jose Mai (Orange Walk South)  
The Hon. Julius Espat (Cayo South)  
The Hon. Kareem Musa (Caribbean Shores)  
The Hon. Michael Espat (Toledo East)  
The Hon. Florencio Marin Jr. (Corozal South East)  
The Hon. Oscar Requena (Toledo West)  
The Hon. Orlando Habet (Cayo North East)

**Members Absent:**

The Hon. Gaspar Vega (Orange Walk North), Deputy Prime Minister, Minister of Agriculture, Fisheries, Forestry, the Environment and Sustainable Development  
The Hon. Francis Fonseca (Freetown)

MR. SPEAKER in the Chair.

PRAYERS by Pastor Alvan Gentle Jr.

**PAPERS**

**MR. SPEAKER:** Before I recognize you, Prime Minister, allow me to recognize your elevation to the Privy Council and the well-earned respect that is due upon you to be called Right Honourable Prime Minister. (Applause)

**RT. HON. D. BARROW (Prime Minister and Minister of Finance, Public Service, Energy and Public Utilities):** Thank you very much, Mr. Speaker, for both limbs of your recognition.

Mr. Speaker, I rise to lay on the Table Sessional Papers No. HR12/1/12 - International Business Companies (Fees) Regulations, 2016; and No. HR13/1/12 - Draft Estimates of Revenue and Expenditure for Fiscal Year 2016/2017.

**MR. SPEAKER:** Honorable Members, Sessional Paper No. HR12/1/12 is ordered to lie on the Table while Sessional Paper No. 13/1/12 is referred to the Committee of Supply for examination, consideration and report.

**PRESENTATION OF REPORT FROM SELECT COMMITTEE**

**HON P. FABER (Minister of Education, Culture, Youth and Sports):**  
Mr. Speaker, I rise to lay on the Table Sessional Paper No. HR14/1/12 - Report from the Constitution and Foreign Affairs Committee on the Extradition (Amendment) Bill, 2016.

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

**INTRODUCTION OF BILLS**

1. **General Revenue Appropriation (2016/2017) Bill, 2016.**

**RT. HON. D. BARROW (Prime Minister and Minister of Finance, Public Service, Energy and Public Utilities):** 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, 2017.

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, 2017, 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 first time.

**RT. HON. D. BARROW (Prime Minister and Minister of Finance, Public Service, Energy and Public Utilities):** Mr. Speaker, I rise to move the second reading of the General Revenue Appropriation (2016/2017) Bill, 2016.

Mr. Speaker, this is the inaugural budget in the recently won, historic, third consecutive term of this UDP Administration. (Applause) And this edition, in like fashion, as the previous eight budgets I have read, will, I believe, reassure the general citizenry and particular stakeholders alike that the current and forecast state of the public finances of Belize is both sturdy and stable.

There is, of course, a narrow political minority that reflexively opposes everything UDP. But impartial observers all agree that the sterling stewardship of the people's money was foremost in the minds of the voters as they cast their ballots last November. Our consistent and long record of judicious financial management, Mr. Speaker, has produced an unbroken period of steady growth and optimal economic conditions. There is now a historical vindication of both our philosophy and our probity.

Let us look at the facts, Mr. Speaker. First, there is an unmatched string of year-on-year increases to the size and diversity of the economy. And this has been complemented by the longest post-Independence period of low inflation, reductions in the cost of borrowing for both private and public sectors and increases in revenue generation by Government.

Second, we have been architects of monumental advances in the wellbeing of the working classes as measured by the lowest unemployment in a decade. When Members come to look at the Annex, (Applause) they will see that in fact, we are at the lowest unemployment in a decade, and that's been accompanied by a surge in real wages. I remind all that, in the case of our 12,000 public officers and teachers, the salary augmentations amount, with this the third consecutive year of increase which I proudly declare now will take place, (Applause) those salary increases altogether then will amount to 25%, in fact, a little bit more than 25% when you factor in the annual increments that have occurred to the tune of almost 3% per annum. That, by any measure and in comparison with any country anywhere, is absolutely spectacular. I looked at the budget of the Chancellor of the Exchequer in the United Kingdom, his 2015 budget, and public officers there were given 1% per annum increase for the next 4 years. We are looking at in excess of 25% over 3 years. (Applause) And then closer to home we all know

what's happening in terms of 3,000 public officers being laid off in Barbados, Jamaica in an IMF Program, I just see our good friend Ralph Gonsalves, in his budget presentation having to raise GST or their version of value added tax. In the circumstances we can be absolutely proud and boastful of that 25% increase in salaries to public officers and teachers. (Applause)

Mr. Speaker, complementing and buttressing this new purchasing power for the middle class is our robust safety net for the disadvantaged, including, of course, our signature BOOST and Food Pantry Programs, record education and health subsidies, and now an increase in Social Security Board monthly payments to 8,000 pensioners. (Applause)

Mr. Speaker, the third point to make in this context is the unremitting swell of public investments in national infrastructure such as streets, drains, roads, bridges, sporting facilities, parks and playgrounds. When assessed in its totality over the nine budget cycles, this will have surpassed \$1.5 billion with a "B" (Applause) and will have touched the lives of citizens in every corner of this country. Thus it is that in introducing this budget, Mr. Speaker, my administration is able to demonstrate its fidelity to, and reaffirmation of, the vow we first swore in 2008, and renewed in 2012, and 2015: Our commitment to strive always and ceaselessly for advance, for equity and for openness in our stewardship of the public finances.

I now turn to the details of the budget outturn for Fiscal Year 2015/2016.

## **REVIEW OF FY 2015/2016 STRATEGY**

### **FISCAL PERFORMANCE**

For Fiscal Year 2015/2016, the Central Government is projecting a primary deficit of \$87.6 million, the equivalent of 2.46% percent of GDP and an overall deficit of \$180.1 million or 5.1% of GDP. These compare to the budgeted primary surplus of 0.1% of GDP and the budgeted overall deficit of 2.47% of GDP. In dollars and cents terms, the overall deficit increased by some \$ 92.1 million over budget.

Now at first sight, the mismatch between the outturn and what was budgeted is dramatic. But the main reason for such a wide divergence is two-fold and easily explained. First, included in these numbers is the extraordinary payment of just over \$97 million in respect of the settlement of the International Arbitration Award related to the British Caribbean Bank loan to Belize Telemedia Limited; and, second, is the additional spending of almost \$55 million on the National Road Rehabilitation Program and some \$15 million more on sport facilities. All of this was financed under the Petrocaribe Program. Taken together, then, these two items amount to an additional spending of \$167 million. This was offset somewhat by an improved recurrent surplus of \$45 million over budget, and by an under spending of some \$29.9 million in the donor supported capital program. But the end result was still this overall deficit increase of \$92.1 million. The point is, though, that on both fronts (Arbitration payment and sport and infrastructure investment) the un-programmed spending was not only justifiable but commendable. That is because, Mr. Speaker, the liquidation of the International Arbitration Award was part of a wider global settlement with former shareholders of Belize Telemedia Limited. This resulted in an end to the litigation efforts by those former shareholders to force the return to them of this national

asset, and confirmed sovereign Belizean ownership now and forever over BTL. In accounting and budgetary terms, the payment to the British Caribbean Bank is being treated as an advance to the Belize Telemedia Limited, with arrangements for repayment of this to GOB over an extended period of time.

Mr. Speaker, the investments in road rehabilitation and sporting facilities have been unprecedented and have transformed this country in a way never seen before and unlikely ever to be seen again. (Applause) Thus, the \$70 million is treated as a one-off capital expenditure, which was undertaken given the availability of the highly concessionary funding under the Petrocaribe Program. Now we do absolutely expect the continuation of similar capital investments programs, though not at the same level. The extent of this reduced but still robust new normal will be determined by a number of factors, about which I shall say more later.

But to repeat, Mr. Speaker, the public works done in these two areas are landmark and permanent. Under the Road Rehabilitation Program we have upgraded streets in Belize City and in every district town, including San Pedro. The Philip Goldson Highway through Orange Walk Town has been, as the Leader of the Opposition knows, by the way, Sir, congratulations on becoming the Leader of the Opposition. I don't like how you almost upstage the budget reading by your seating arrangements but we leave that alone.

So the Philip Goldson Highway through Orange Walk Town has been dramatically improved at a cost of millions of dollars as has a section of the San Antonio Road. And there is much more. We have also upgraded, or built, roads to major tourism attractions, including the Old Northern Highway to Altun Ha, the Franks Eddy Road to the Sibun River. The North Ambergris Caye Road is getting ever closer to the Basil Jones site of the new Efrain Guerrero Airport, and work proceeds on the road to Lamanai. The Hummingbird rehabilitation is underway, and so is the redo of the Philip Goldson Highway between the Eponymous International Airport and Belize City. We have also commenced the improvement of the roads through San Antonio and on to Mountain Pine Ridge and, ultimately, Caracol. And throughout we are getting value for money!

Under the supervision and management of Belize Infrastructure Limited (BIL), major upgrades are being done, or are completed, to the Victor Galvez Stadium, Falcon Field, and the Santa Elena football facilities in the west. In Belmopan the Isidoro Beaton Football Field will be the pride of the capital when it is opened in just over a week's time, Sir. (Applause) It's the first artificial turf stadium in the country. Is it not, Sir? And I hear the lights are all sorts of high-tech arrangements. I hope you all will know how to operate those things you know.

In the south, the Carl Ramos Stadium in Dangriga and the Toledo Union Field are about to be finished. And in Belize City ground has been broken, and works started for the world class Basketball and Multi-Purpose Arena at the old City Center site, truly a feast of progress and uplift that has marked what must now be seen as the UDP and Belize's finest developmental hour. (Applause)

But let me return to the figures. Total revenue and grants are projected to be \$1.031 billion, or some \$51 million above budget. The increase is due largely to improved performance of taxes on goods and services particularly the general sales tax, and also to increases in taxes on international trade. These were buoyed

by an increase in both the volume and value of imports, and also by the hike in import duties applied to petroleum products in late December 2015. At the same time, revenues from the Shipping and the International Business Companies Registries remained stable vis-à-vis the previous year. This overall increase has taken place notwithstanding the sharp fall in the particular revenues from domestic petroleum in consequence of declining production and low export prices.

On the expenditure side, total expenditure for Fiscal Year 2015/2016 is projected at \$1.211 billion, which is \$142.9 million over budget. Current expenditure increased by \$9.7 million, attributed mainly a rise in subsidies and current transfers, particularly to the education sector. This reflected our continued focus on, indeed obsession with, education as the most important key to social transformation. The increase was, of course, also due to the substantial rise in personal emoluments following the 2015 salary adjustments for public officers and teachers. Altogether, then, this was a current expenditure price we were happy to pay. On the other hand, development expenditure also increased by almost \$133.1 million above the budgeted figures due mainly, as stated above, to the settlement of the British Caribbean Bank Arbitration Award in the sum of \$97 million, and to that expansion of the Road Rehabilitation Program and the investments in sporting facilities.

Mr. Speaker, I think that I should point out here that while not included in the capital expenditure figures, GOB also paid out a further \$135 million in compensation settlements for the nationalization of shares in both Belize Electricity Limited in the sum of BZ\$70 million and in Belize Telemedia Limited in the sum of BZ\$65 million. In keeping with internationally accepted guidelines for recording and reporting such transactions, expenditures of this type are recorded as a financing item rather than as a capital expenditure. The financing for both settlements was drawn in large part from Petrocaribe Funds, but also from the proceeds of the on-sale of some of the Telemedia shares that we did in 2010 after we took it over.

The deficit of \$180 million was financed by various loan sources, made up of \$40 million from the multilateral lenders, \$76 million from Petrocaribe, and \$64 million in domestic financing.

#### **PETROCARIBE FINANCING**

Mr. Speaker, now a word or two on Petrocaribe as it has been so integral to the government's development program over the past four years. Since its inception, Belize has benefited greatly from the program and has received over \$325 million from the purchase of fuel products from the Bolivarian Republic of Venezuela through the Government of Belize/Government of Venezuela Joint Venture Company known as ALBA PETROCARIBE BELIZE LTD (APBEL). This financing has been recorded as part of central government's external debt and has been recorded in the monetary accounts as well. Provisions for the servicing of the Petrocaribe debt have been made in the GOB Budget, and the amount set aside, this time for the servicing of this debt, is in the region of \$10.5 million.

This program has been transparent through and through, and approval for the uses of these funds has been sought from this Honorable House through a

series of quarterly General Revenue Appropriation Bills. By that means we have taken the opportunity to always report to the House in detail all spending already incurred for the quarter that was under review. But we have also always set out, also in great detail, the spending we proposed to incur for the upcoming quarter.

And now we recapitulate, in the table that Members will see in the budget book or in the speech, the use to which that \$325 million has been put.

In the last financial year itself, we have drawn down about \$55 million for road rehabilitation, and \$94 million, as I said, for compensation payments. But, Mr. Speaker, dry figures and mere words cannot do justice to the comprehensive, life improving, flesh and blood canvas that has been constituted by Petrocaribe and this Government's deployment of its resources. In trying to present the House and the nation with a properly panoptic view of the way, in UDP hands, this Petrocaribe phenomenon has been so utterly transformative, so revolutionary almost, let me zero in on this point. We have, as even a cursory glance at the table shows, applied the funds in the round to both infrastructural and social development. And, in selecting the uses for the Petrocaribe funds, we have been careful to apply the financing to high-rate-of-return capital works and for hinge social purposes. Withal, we have been careful, as a matter of prudence and fiscal responsibility, not to use the funding to support recurrent spending.

Mr. Speaker, already the flows from Petrocaribe is greatly reduced, and its very existence, longer term, is uncertain given the recent domestic political developments in Venezuela. But we know one thing. Despite being buffeted by all sorts of travails, including the precipitous fall in oil prices and export earnings, Venezuela has so far steadfastly refused to withdraw or alter the program and the support it gives to participating countries. I can think of no greater example in recent times of self sacrifice and international solidarity. We therefore record, once more, our gratitude to the Government and people of Venezuela. (Applause)

In contemplating the possibility, though, that despite best efforts overwhelming circumstances may yet put an end to Petrocaribe, I wish to say two things. This government is prepared for any eventuality and will manage our public finances accordingly. And how silly and short sighted all the critics now look that were lambasting us for what they claimed was borrowing without end from Petrocaribe. It took no special insight on our part to know that the program had to be finite, Mr. Speaker, and that we should therefore, while the getting was good, procure for the Belizean people every last penny we could from the unbeatable bonanza of 1% money over 25 years. (Applause) So the fact that things may be winding down now confounds those crass opportunist that were crying wolf out of bad mind, jealousy and spite (Applause) simply because Belize and the UDP were riding so high on a program this Government had succeeded in unlocking. And it fully vindicates this administration for having gotten as much as it did and for having spent it so wisely and so well. (Applause) Needless to say, Mr. Speaker, we will continue fully to utilize Petrocaribe for however much longer it lasts.

## **SETTLEMENTS OF CONTINGENT LIABILITIES**

Mr. Speaker, after years of litigation and sporadic negotiations, our government arrived at a settlement with the former owners of BEL and BTL for the majority shares in these utilities. The settlement brought some element of certainty to the contingent liabilities that had bedeviled the fiscal and debt

accounts for years, but which were the necessary concomitant of our continued struggle to maintain our reasserted patrimonial rights.

In the case of BEL, government effectively purchased the 36.9% shareholding it retains for US cash \$35 million, financed, as I said, from Petrocaribe. This compromise allowed Fortis to keep 33% and thus become a strategic minority partner in the company, you know after all we did that these people should want to partner with us. Again, it's triumphal vindication of our determination to take back this company for the benefit of Belizeans you know Mr. Speaker. And obviously we settled on honourable terms. So, Mr. Speaker, Fortis, is now a strategic minority partner, but we have ensured that the people of Belize, through both the GOB and the SSB holdings, retain their majority stake. And those who want to talk about the deal must remember this. When you assess what we paid. Whether on the basis of the book value of the shares or the potential claims that Fortis had floated, the people of Belize gained in the net amount of anywhere between BZ\$60 million and BZ\$120 million. (Applause)

The settlement for the BTL shares now meant that GOB paid, on behalf of BTL, this outstanding loan claim of US\$48.5 million, and also paid a down payment equal to the so-called NERA valuation with respect to the shares now, not the Belize Bank loan this down payment was equal to the so-called NERA valuation of US\$32.5 million. This is paid pending the final outcome of the International Arbitration Hearing. As the matter now stands, we await the judgment from that panel as to any further payments that may be due for the shares. Resolving these disputes fairly is validation of our conviction that these critical utilities should be majority owned by the people of Belize in perpetuity. And already Belizean consumers have benefited from tens of millions in lower rates, both telephone and electricity from major and continuing investments in efficiency and upgraded services, and ultimately from the fact that the bulk of the profit streams from both companies remains at home here in Belize. (Applause)

## **ECONOMIC ENVIRONMENT**

Mr. Speaker, looking ahead, it is currently estimated that GDP growth will moderate to between 1.5% to 2% in 2060. I think CDB said 2.5% but we are being conservative. The primary sector, of course, contracts, and activity in the secondary sector is unfortunately flat lining. Sugarcane deliveries are projected to rise by 23% due to Santander's output.

However, production of all other major export crops is likely to decrease. Banana output will be negatively impacted by the halt in the operations of the Meridian Group, and, of course, the producer of papayas has signaled the halting of production, complete halt, by August of this year. Output of farmed shrimp will remain low as farms will only recover from the disease that afflicted them and begin harvesting during the second half of the year. Manufacturing will also decline with the anticipated drop in agro-processing related to the slowdown in the primary sector and continued shrinkage, of course, in crude oil extraction here in Belize. But services will once again drive the economy, as tourism activities expand with a projected increase in stay-over arrivals. Distributive trade activities should also continue to grow, through at a moderated pace. The major downside risks, of course, include lower than projected expansion in tourism if economic recovery in source markets weakens. And, of course, there is the squeeze that slowdown in international payments arising from the correspondent banking



difficulties may cause on domestic activities. I should make clear that, as of now, there is no domestic bank that is absolutely without correspondent banking services, and the last thing I saw, the last communication from this particular bank that we've been pursuing in the US, suggest that we are very likely, indeed, to succeed in engaging that bank.

Mr. Speaker, there was also the completion of the FirstCaribbean International Bank sale of its domestic branch to Heritage Bank, and that was a relatively seamless transaction. Mr. Speaker, one more thing on correspondent banking, the resolution to this problem is, as you see and as the region has seen, being pursued in a leadership way by this country. But I am happy to say that the CARICOM, the regional entity, has adopted now a unified, collective approach so that, as we go at it with something that approaches critical mass, we hopefully will be able to get permanent solutions to the problem.

## **SUMMARY OF THE DRAFT ESTIMATES FOR FISCAL YEAR 2015/2016**

### **NEW BUDGET FORMAT**

Mr. Speaker, this is the second year in which we are presenting the draft estimates in a program budgeting format. This format provides information along the lines of the work programs of each Ministry, which are set within an allocated ceiling and within a multi-year programming framework. And let me acknowledge the support of our development partners in implementing this new format.

Our priorities for the Budget for Fiscal Year 2016/2017 remain, as in previous years, with an emphasis, a continuing emphasis on investments in infrastructure in streets, roads and bridges, and in sporting facilities, and, of course, in health and education, and in national security. As well though, we continue to make every effort to alleviating, the conditions of the poor and the disadvantaged in our country. (Applause)

And, Mr. Speaker, to repeat even with the fiscal challenges we face, we are resolved at all costs to honour our commitment to the public officers and teachers. We have therefore made a provision in the budget estimates for the further, and final, upward adjustment in their compensation packages in the new financial year. It bears repeating that the preliminary figures show that altogether this Government would have given its employees over a 25% raise extending for the three-year period. Remember, Mr. Speaker, that in adding in the annual increments which are compounding, forget the percentage, when you look at what that does in dollar terms when you remember that government is the largest employer, what we have done with this almost 28-29% increase over 3 years for the largest sector of the workforce has naturally a multiplier effect, and recollect that this is a raise that absolutely takes the teachers and public officers clear. They went completely clear because inflation, that annual increment, I thought initially the rationale was it was a kind of cost-of-living adjustment type feature, but what is inflation, -0.9%, and it's been low over the entirety of this 3-year period that we are talking about. So you put all that together and you begin to get a sense of the scale and magnitude of what we have done by way of this huge, humongous salary increase for teachers and public officers. (Applause) The last time those on the other side tried to do something they managed for two years, and then the third year they froze the increments and cut off the thing saying they

couldn't continue. Well, there is a degree of fiscal consolidation that's taking place now, but I am saying notwithstanding that we are fully complying with our commitment to the teachers and public officers. (Applause)

#### **SUMMARY ESTIMATES FOR 2016/2017**

Mr. Speaker, the proposed budget targets a preliminary primary balance of 1% of GDP and an overall deficit of 1.7% of GDP. Total expenditure is budgeted at \$1.151 billion while total revenue and grants are estimated at \$1.088 billion. When taken together, these result in a projected overall deficit of \$62.6 million which is the equivalent of 1.7% of GDP. The magic figure is 3% of GDP, and after that you are in trouble. We are looking at only 1.7% of GDP in a time of tightening circumstances. To this figure we must add a further \$86.8 million for loan amortization, and so arrive at the total financing needs of \$149.4 million.

#### **ESTIMATES OF REVENUE 2015/2016**

The Draft Estimates has total revenue and grants amounting to \$1.088 billion for Fiscal Year 2016/2017, and this is comprised of \$1.041 billion in recurrent revenue, \$5.9 million in capital revenue and \$41.6 million in grants. Mr. Speaker, in projecting an increase in recurrent revenues we have factored in the full year effect of the adjustment in import duty on fuel products which was implemented in December 2015, and in February 2016. This is expected to yield an additional \$50 million. Well, let me say something about that. That is the only revenue raising measure we are taking. The technocrats spoke to us about GST, about moving from zero rated to taxable about moving from exempt to fully taxable. We are determined even in a time of change not to burden our people, not to burden labour, not to burden business, not to burden the productive sector. (Applause) So all we have done is the increase in import duty on fuel, and we were able to do this because naturally the global price per barrel of fuel has fallen so dramatically, and so the acquisition costs have lessen so remarkably.

Indeed, Mr. Speaker, it is estimated that the fall in oil prices since 2014, has resulted in a windfall savings of over \$163 million to the Belizean consumer. Go back and look at what things were just a couple of years ago. At current prices, even current pump prices, even with the import duty increase, the consumer will still keep in excess of 2/3, or more than \$100 million, of that savings. So we are absolutely confident, we feel completely justified that in plowing back just that small portion of this huge savings so that government can continue to operate fully and effectively, and so that we burden nobody with any tax increase, we have done remarkably well. (Applause)

Because remember, Mr. Speaker, that while we have increased the collection from the import duties on fuel, on the other hand, we have lost our own tax and royalty revenues in terms of the local production of crude oil. There has been an almost complete collapse in tax and royalty revenues generated from local petroleum production due to, of course, declines in production from the principal BNE field and as well because of the lower export earnings since the price for even the little bit that they produce and export has gone so low. So altogether, Mr. Speaker, it is more than fair that we do what we have done with respect to the import duty increases.

There is also a downturn in property income as we return to normal levels now of dividend receipts from the governments share in the utility companies.

Mr. Speaker, it's good to remind you and the House and the nation that in the current fiscal year GOB, as a result of settling the litigation over the BTL matter that was before the CCJ, there was a lifting of the stay of dividend payments to Government, in consequences of its shareholding in BTL. There was a stay that the CCJ had imposed pending the outcome of the litigation. When we settled, that stay was lifted. So we collected this extraordinary one-time inflow of the dividends that had accumulated during the period of the stay. So, of course, that's one-off. That won't happen again. We'll continue to get the normal dividends now, but there's nothing like that sort of huge windfall to be had.

Furthermore, because, again, we've settled with Fortis in BEL, our shareholding has decreased. So the amount we get in dividends from BEL which is profitable, BTL as well, I see that that fine fellow, the Chairman of the Executive Committee, has forecast that revenues are going to be way up this year. So we are going to be getting sizable dividends for the Government and people of this country. But because our shareholding has lessened, certainly in terms of BEL, our share of the flow is reduced.

With regards to the income from the International Business Companies Registry and the Ships Registry, we anticipate a leveling off in receipts from fees and licenses as new registrations are going to slow in light of the unfavorable international banking environment.

#### **ESTIMATES OF RECURRENT EXPENDITURE 2016/2017**

Mr. Speaker, the Draft Estimates of Recurrent Expenditure is proposing a total of \$959.2 million in recurrent expenditure up by \$75.9 million over the projected outturn of \$883.3 million for Fiscal Year 2015/2016. Of this proposed amount, some \$402.7 million is for personal emoluments; \$67.2 million for pensions, of course, every time we raised salaries we raised pensions; \$223.6 million for goods and services; \$165.7 million for subsidies and current transfers; and \$100.0 million for interest payments on the debt. The increase in current expenditure is attributed to the following:

- In Education: to provide for further increases in transfers to schools under the Education Sector Reform Program.

When Members come to look at the details, don't miss the forest for the trees. There are some line items where there have been reductions, but overall the education share of the budget continues to increase. So in education there are further amounts for the transfers to schools under the Education Sector Reform Program. I must say I hear you know, Minister, and I hope it is not so, and maybe it's not deliberate, that lots of these schools register students at the end of the year who don't necessarily last out the year. But the more students you get, the thing now seems to be market driven, you get a larger share. And when those students drop out they don't give it back. But anyway that's a matter for you to look at, Sir.

In health, Mr. Speaker, we are budgeting more for the provisions for medical supplies. And remember as well, that the employees at the KMH also got their raise from this Government. (Applause) So we are providing more for medical supplies, and for the new 24-hour service of the San Pedro Polyclinic and also for the establishment of a new clinic in Benque Viejo Del Carmen, the extension of the clinic in Benque Viejo Del Carmen.

Then in national security, we are providing for increases in the number of officers in both the Coast Guard and the Police Force, for the strengthening of the senior management, we've created some new Assistant Commissioners of Police, as well as the extension of pay scales for the rank and file. So we are treating our security forces properly and well. (Applause) These are the big-ticket items, education, health, and national security. In terms of National Security, it is not in the budget, but I will find a way to do it. We've built, Minister, what two or three new conservation posts? Two. We've partnered with Friends of Conservation and Development, and we saw the dramatic effect in terms of the way the incursions and the depredations moderated after we put up those two conservation posts. But, of course, what the invaders, well, invaders in terms of the way some people, like to read too much into words and want to get a chance to make their point, maybe invaders is not the right word. The way those that are guilty of the incursions, the civilian incursions, the way they operate is this, they have moved to another area so while in the area where we have the conservation post there's been dramatic decrease in the way our forest cover is being utterly prejudiced in the new area where the concentration of incursions is, the situation has deteriorated. We were to have put a conservation post in that area as well. The problem is it's inaccessible. So to get there we have to sack some sort of a road through the jungle that may cost as much as a quarter of a million dollars in addition to the conservation post. But I am here to tell you, Mr. Speaker, it's not in the budget, Minister, but I will find that quarter of a million dollars to build that third conservation post. And I will do so right at the start of the new financial year. (Applause)

And then overall, Mr. Speaker, there is the increase because of the incremental requirement in the wage bill arising from the salary adjustments. Now just one last word on that increase, we've made a provision of some \$20 million as a placeholder in the Capital II Estimate. It may well cost a little more, but naturally we don't know until all the figures are in. I don't see that it will be less than another 4%, as I said, on top of the incremental increase. (Applause)

We must remember as well, did I recollect that when we first chartered and capitalized the National Bank of Belize we reserved, how much was it, \$10 million of the initial capital exclusively for loans at rock-bottom interest rates for teachers and public officers. You really must factor that into the mix too in terms of all we've done for our employees.

#### **ESTIMATES OF ESTIMATES OF CAPITAL EXPENDITURE 2015/2016**

Mr. Speaker, my government is proposing to allocate some \$191.9 million to its capital program in the upcoming fiscal year, made up of some \$93.4 million in locally funded Capital II expenditure and some \$95.9 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 to improve transportation and to make the road network more resilient to climatic changes.

In Toledo, works will continue on the last remaining segment of the Southern Highway, including a new bridge, which will lead right up to the Belize/Guatemala border.

In the west, construction of the New Macal River Crossing continues, and we are also about to start work on the upgrading of the section of the George Price Highway from Belmopan to San Ignacio Town. This will include the construction of a new two-lane bridge at Roaring Creek.

In the near south, contracts for the upgrading of the Hummingbird Highway, including the construction of several new two-lane bridges in the Stann Creek Valley, have been signed, and preliminary works, I believe, have already started.

In the north, improvement of sugar roads and upgrading of village roads will continue under the European Union Program.

And in Belize City, work on the Southside Poverty Alleviation Project Phase III is about to get underway.

We have already signed the contract for the upgrading of the segment of the Philip Goldson Highway between the Haulover Bridge and Ladyville. All of these are donor-financed either as grants or on highly concessional loan terms.

Mr. Speaker, we have not neglected the needs of the social sector as it remains one of the highest priorities of this administration. Thus you will find in the Estimates that substantial allocations have been made to youth and community transformation, to poverty alleviation, and to quality improvement and policy and strategy development in education. (Applause)

#### **FINANCING OF THE BUDGET IN 2015/2016**

The financing needs of the budget in the sum of \$149.4 million will be met from the following sources:

- Disbursement of \$66 million from loans already contracted with our multi-lateral development partners;
- 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 \$34 million in domestic financing; and
- A further draw-down of Petrocaribe financing in the amounts of \$30 million.

Mr. Speaker, our primary and overall balances are not where perhaps the International Financial Institutions would wish them to be. But by our reckoning they are exactly where they ought to be if the proper calculus is applied. Some fiscal consolidation is required in the face of our current circumstances. But it is nonsense to think that draconian austerity is any way out of any slackening of economic activity. Our first responsibility remains to look after the needs and expectations of our citizens. We do this even as we spare more than a thought for the level of restraint and savings needed to ensure debt sustainability and to provide for unbidden shocks to the system.

Talking about debt, Mr. Speaker, a defining difference between this administration and those on the other side is our approach to borrowing money. When it comes to debt, caution and restraint are the watchwords for this budget, as they have been for all UDP budgets since 2008. At the close of 2015, the external public debt stood at \$2.352 billion or 66% of estimated GDP, while government's total domestic obligations were \$0.494 billion or 13% of estimated GDP. Total public debt, then, external and domestic, stood at 79% of GDP.

For the fiscal year now ending, government met all interest payments of approximately \$92.7 million, representing 10% of projected recurrent revenue. In addition, \$86 million of existing debt was retired through principal repayments.

For 2016/2017, servicing the public debt is projected to cost \$100.0 million or about \$.10 of every dollar in recurrent revenue collected by government. We've built into this what we'll have to do in terms of servicing the treasury notes and bills we will issue with respect to perhaps having to pay more when the arbitration tribunal decision comes. So \$.10 of every dollar in recurrent revenue collected by government services the debt. Those \$.10 per dollar of recurrent revenue directed to servicing the public debt is more than 40% less than the \$.17 of every recurrent revenue dollar that went to service the debt during the last fiscal year of the PUP Administration. It's so long ago that it's hard to remember these things you know, but the records are there. And despite our massive, multi-year fiscal stimulus program, the public debt as a percentage of GDP has shrunk by 15%, from 92% of GDP that it was, when we took office in 2008, to 79% today. So don't come with no foolish talk about the debt.

For the record, (I'm sorry, I expected to see you over there, man, but you are in a more direct line of sight. I am able to catch your eyes better. So I congratulate you on the move, Sir.) For the record, because this administration has refused to borrow on costly, commercial terms, half of the non-super bond external public debt is now held by two of our most concessionary lenders, Petrocaribe and the Republic of China (Taiwan). Astonishingly, the aggregate interest rate on the entire stock of public debt for the new fiscal year is only about 3.3%, Mr. Speaker. Of course, against that average is the singular, exceptionally painful standout of the super bond. Despite our administration's successful restructuring exercise, so horrendous were the original PUP terms that the monstrosity will still cost the Belizean taxpayer \$52.6 million this year in interest alone. And, of course, we have the principal repayments starting in 2019.

To further demonstrate, Mr. Speaker, what a comparative model of restraint and responsibility we have been, I emphasize that the current public debt stock includes all compensation-related payments made during this budget year to the former owners of BEL and BTL.

Conservatively, the stakes in BEL and BTL, now held by government, on behalf of the Belizean people, carry a book value in excess of \$315 million or some 9% of GDP. This, if set against the total value of the public debt, would reduce this key ratio to under 70% of GDP; and it is an extraordinary achievement in view of the adverse regional and global conditions since 2008 and the unprecedented range of public investments delivered by this administration. (Applause)

Mr. Speaker, for the Fiscal Year 2015/2016, the central government's debt is projected to increase by \$183.1 million or 6.9% to \$2.852 billion, of which \$0.514 billion is domestic debt and the remaining \$2.669 billion is for external obligations. The increase in domestic debt partly reflected the issuance of new securities and an increase in the balance on government's overdraft facility at the Central Bank. The increase in the external debt was primarily due to the disbursements from the Bolivarian Republic of Venezuela under Petrocaribe.

For the Fiscal Year 2016/2017, the forecast is for the domestic debt to increase to \$0.718 billion due to the issuance of these new government's securities to raise the funding necessary for the final settlement of the BTL compensation after the award that is expected in the next few months.

## CONCLUSION

Mr. Speaker, I wish to conclude by saying that in current circumstances this is a bold budget. It is the budget of an administration determined, no matter what, to keep faith with teachers and public officers, with poor people and the middle classes, with business and with labour. By the end of this parliamentary term, four years and how many months, almost five years, we've just started. By the end of this parliamentary term, our goal is to oversee a thriving economy in excess of \$4 billion; a national budget of more than \$1.2 billion with annual investments in education, healthcare and citizen security having doubled compared to when we took office in 2008; and a business community and working class measurably more prosperous and productive.

And this will be accomplished without gambling on the future of our children, for we know that what distinguishes UDP management, in the region and, indeed, in the world, is our unique brand of steady, stable and principled leadership. During these 9 budget cycles, our public finances overcame the epic hangover effects from two PUP terms of profligacy and corruption. Besides that, we weathered the Great Recession of the Western economies, withstood skyrocketing oil and commodity prices, and surmounted the fluctuations in our core exports, including sugar, bananas, citrus and petroleum. Today, our economy and public finances stand on the rock-solid foundation of a strong currency backed up by excess reserves, robust fiscal revenues and a well-managed public debt.

We also boast the most diversified economic base ever, with expanding trade access and productive investments in public utilities, innovation and infrastructure. Finally, we spend unstintingly on the education, healthcare and security of our people. It is because of all this that we premised last year's election drive on the theme "**The Best is Yet to Come**". (Applause)

Mr. Speaker, it was not just a campaign slogan, but a call to arms based on past performance and future promise. It was a declaration of confidence. It was an expression of resolve. It was a commitment to perseverance. Above all it was an articulation of faith that no matter the obstacles, no matter the challenges, no matter the trials, we, the Government, the people, the nation, will together achieve what is due, what is just, and what is deserved for our beloved Belize. (Applause)  
Mr. Speaker, I commend this Budget to the House. (Applause)

**MR. SPEAKER:** Prime Minister, do you want me to move that the 22<sup>nd</sup>

and the 23<sup>rd</sup> March be the days for the debate on the budget?

**RT. HON. D. BARROW (Prime Minister and Minister of Finance, Public Service, Energy and Public Utilities):** Please, Mr. Speaker.

**MR. SPEAKER:** Okay, Honourable Members, the question is that Tuesday and Wednesday, 22<sup>nd</sup> and 23<sup>rd</sup> days of March 2016, respectively, be reserved for the continuation of the debate on the General Revenue Appropriation 2016/2017 Bill, 2016. On those two days, the 22<sup>nd</sup> and the 23<sup>rd</sup> there will be the second reading of the budget and the budget debate.

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

**2. Money Laundering and Terrorism (Prevention) (Amendment) Bill, 2016.**

**RT. HON. D. BARROW (Prime Minister and Minister of Finance, Public Service, Energy and Public Utilities):** Mr. Speaker, I rise to introduce a Bill for an Act to amend the Money Laundering and Terrorism (Prevention) Act, No. 18 of 2008; to provide for measures to ensure compliance with international standards and obligations in relation to money laundering and terrorist financing and implementation of UN Security Council Resolutions; and to provide for matters connected therewith or incidental thereto.

Mr. Speaker, this Bill has the recommendation of the Cabinet, and you will see that later on I will be asking to take it through all its stages forthwith. Let me say, Mr. Speaker, that I believe the Bill has been circulated, and there are explanatory notes to the Bill that I hope Members will find helpful. But we are doing this, and we want to do it quickly to ensure that we keep pace with the requirements of the international environment and the international fight to always improve the money laundering infrastructure in all our jurisdictions.

Mr. Speaker, the FATF, Financial Action Task Force, recently performed a global assessment of measures to counter the financing of terrorisms. And the amendments to this Money Laundering and Terrorism (Prevention) Act are as a result of that assessment and the need for us to move on the recommendations. In the interest of legislative economy, it was considered prudent to address in this amendment Bill other areas of concern arising from the MLTPA. These include the regime for reporting cross-border movement of cash and the prohibition of leaving Belize with \$20,000.00 or more in cash.

What we are doing is, first of all, to provide that you don't have to report. I think, as things now stand, you're leaving with more than \$10,000.00 you have to report. Now it's only upwards of \$20,000.00, and this again is consistent with the FATF position. So we are not going backwards at all. It makes more administrative and business sense.

We are also providing, I think now people have to go to the FIU, we've moved it over to Customs. So you just fill out your form when you are leaving and hand it over to Customs at the airport or at the point of departure.

Mr. Speaker, the Bill also complies with the recommendations made to



implement UN Security Council Resolution 2178 which was passed in 2014, and UN Security Council Resolution 2253 which was more recently passed. The amendments include but are not limited to new definitions of terrorism/terrorist acts and terrorist property, the criminalizing you of travel for the purpose of perpetrating, planning, preparing or participating in terrorist acts or providing or receiving terrorist training, things that fortunately are not currently part of the Belizean landscape but you never know. I hear from some of our people in the Caribbean that there are some of their nationals that are in Syria with ISIS.

There was also the definition of terrorist and terrorist organization amended to include persons or entities so designated under the UN Security Council Resolution 2252 of 2015, revision of the terrorist financing offence to enhance clarity of the prohibited conduct, including funding for recruitment, training, travel, payment of salaries, taxes and other expenses.

So, Mr. Speaker, Members will forgive me, I know that nobody likes when we do things all in one session but given what's involved here I believe that Members will understand and I therefore pray their indulgence and, of course, yours, Mr. Speaker.

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

Bill read a first time.

**RT. HON. D. BARROW (Prime Minister and Minister of Finance, Public Service, Energy and Public Utilities):** Mr. Speaker, as I said, in accordance with Standing Orders 49(1), I move that the Bill be taken through its stages forthwith.

**MR. SPEAKER:** Honourable Members, the question is that the next stages of 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.

### **3. Customs Regulation (Amendment) Bill, 2016.**

**RT. HON. D. BARROW (Prime Minister and Minister of Finance, Public Service, Energy and Public Utilities):** Mr. Speaker, I rise to introduce a Bill for an Act to amend the Customs Regulation Act, Chapter 49 of the Substantive Laws of Belize, Revised Edition 2011; to provide for measures to ensure compliance with international standards and obligations in relation to money laundering and terrorist financing; to raise the threshold for currency declarations to \$20,000; to simplify procedures for currency declarations; and to provide for matters connected therewith or incidental thereto.

This is the companion piece to the previous Bill.

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

Bill read a first time.

**RT. HON. D. BARROW (Prime Minister and Minister of Finance, Public Service, Energy and Public Utilities):** Mr. Speaker, in accordance with Standing Orders 49(1), I move that the Bill be taken through its stages forthwith.

**MR. SPEAKER:** Honourable Members, the question is that the next stages of 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.

**4. Customs and Excise Duties (Amendment) Bill, 2016.**

**RT. HON. D. BARROW (Prime Minister and Minister of Finance, Public Service, Energy and Public Utilities):** Mr. Speaker, I rise to introduce a Bill for an Act to amend the Customs and Excise Duties Act, Chapter 48 of the Substantive Laws of Belize, Revised Edition 2011; to provide for the removal of revenue replacement duty on Caricom goods; to increase the scope of goods subject to excise duty; and to provide for matters connected therewith or incidental thereto.

This Bill has the recommendation of the Cabinet, and I should explain that all we are doing is, as the Long Title suggests, taking off the RRD from Caricom imports. This is something that the COTED, the Caricom and COTED, the arm of Caricom that consists of Trade Minister's, they've complained for years now, it's in violation of the treaty, there is no doubt about it, and we have kept promising that we would do something about it, and we haven't. Well, time has run out. We didn't want to give up the revenue. Well, time has run out, and so in keeping with our obligations we've got to do this. Of course, because we can't afford the loss of revenue, what we are doing is making up for it by increasing the excise on some goods so that at the end of the day there will not be a revenue loss, there will be no revenue gain. There was no way I would have asked for this to be passed all at once because while I assure Members that their perusal of the legislation and of the rates and their look at what's involved will prove that we are not trying to pull a fast one, we are not trying to get a penny more in revenue, merely to make up for what is lost in consequence of the elimination of the RRD. They will have to do that for themselves. So this will have to come back for second and third reading later on. Thank you, Mr. Speaker.

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

Bill read a first time.

**5. Brewery (Amendment) Bill, 2016.**

**RT. HON. D. BARROW (Prime Minister and Minister of Finance, Public Service, Energy and Public Utilities):** Mr. Speaker, I rise to introduce a Bill for an Act to amend the Brewery Act, Chapter 286 of the Substantive Laws of Belize, Revised Edition 2011; to provide for the duty payable on local beer to be

the same as that of other Caricom countries; and to provide for matters connected therewith or incidental thereto.

This Bill has the recommendation of the Cabinet.

Mr. Speaker, this is again a companion Bill to the previous one. It's moving the place where we deal with beer again just to be sure that we are in compliance with the Caricom Treaty requirements but that we don't lose any revenue. So, again, Members will have a chance to examine this and debate it from an informed point of view when we come back. Thank you.

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

Bill read a first time.

**6. Belizean Nationality (Amendment) Bill, 2016.**

**RT. HON. D. BARROW (Prime Minister and Minister of Finance, Public Service, Energy and Public Utilities):** Mr. Speaker, I rise to introduce a Bill for an Act to amend the Belizean Nationality Act, Chapter 161 of the Substantive Laws of Belize, Revised Edition 2011; to make provision in the interest of administrative and operational efficiency, for the responsible Minister to delegate certain functions to any Minister of State appointed to assist the Minister; and to provide for matters connected therewith or incidental thereto.

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

What it is, if I can quickly explain, because there are a number of other Bills that follow this same track. The last time around the Minister of State in the Ministry of Immigration was delegated certain authority by the substantive Minister. We had taken legal advice at the time and that advice was clear that the substantive Minister had full authority to do that. But there were some in the media that complained about it and said, "or any signature on the part of the Minister of State was invalid." There since been a new draftsman and a new expert. We've taken advice again, and, in fact, the advice has come back the same, that what we did last time is perfectly in order. But just to lessen the noise in the marketplace we've decided that we will now come to the House and get the full amplitude, the full plenitude of legislative authority to allow the substantive Minister in the Ministry of Immigration to delegate certain signing functions to the Minister of State. Members will see when they come to look at the details that any instrument of delegation is revocable at anytime. And so there is no session of ultimate power by the substantive Minister. It is straightforward, but, again, so that everybody can have a chance to see that there is nothing in the slightest bit curious or peculiar about what we are doing, we are not seeking to pass any of these Bills today. They will go through the normal extended process.

**MR. SPEAKER:** Honourable Members, that Bill is referred to the Constitution and Foreign Affairs Committee for examination, consideration and report.

Bill read a first time.

**7. Immigration (Amendment) Bill, 2016.**

**RT. HON. D. BARROW (Prime Minister and Minister of Finance, Public Service, Energy and Public Utilities):** Mr. Speaker, I rise to introduce a Bill for an Act to amend the Immigration Act, Chapter 156 of the Substantive Laws of Belize, Revised Edition 2011; to make provision in the interest of administrative and operational efficiency, for the responsible Minister to delegate certain functions to any Minister of State appointed to assist the Minister; and to provide for matters connected therewith or incidental thereto.

This Bill has the recommendation of the Cabinet.

**MR. SPEAKER:** Honourable Members, that Bill is referred to the Constitution and Foreign Affairs Committee for examination, consideration and report.

Bill read a first time.

**8. Passports (Amendment) Bill, 2016.**

**RT. HON. D. BARROW (Prime Minister and Minister of Finance, Public Service, Energy and Public Utilities):** Mr. Speaker, I rise to introduce a Bill for an Act to amend the Passports Act, Chapter 164 of the Substantive Laws of Belize, Revised Edition 2011; to make provision in the interest of administrative and operational efficiency, for the responsible Minister to delegate certain functions to any Minister of State appointed to assist the Minister; and to provide for matters connected therewith or incidental thereto.

This Bill has the recommendation of the Cabinet.

**MR. SPEAKER:** Honourable Members, that Bill is referred to the Constitution and Foreign Affairs Committee for examination, consideration and report.

Bill read a first time.

**9. Refugees (Amendment) Bill, 2016.**

**RT. HON. D. BARROW (Prime Minister and Minister of Finance, Public Service, Energy and Public Utilities):** Mr. Speaker, I rise to introduce a Bill for an Act to amend the Refugees Act, Chapter 165 of the Substantive Laws of Belize, Revised Edition 2011; to make provision in the interest of administrative and operational efficiency, for the responsible Minister to delegate certain functions to any Minister of State appointed to assist the Minister; and to provide for matters connected therewith or incidental thereto.

This Bill has the recommendation of the Cabinet.

**MR. SPEAKER:** Honourable Members, that Bill is referred to the Constitution and Foreign Affairs Committee for examination, consideration and report.

Bill read a first time.

**10. Caribbean Community (Free Movement of Skilled Persons) (Amendment) Bill, 2016.**

**RT. HON. D. BARROW (Prime Minister and Minister of Finance, Public Service, Energy and Public Utilities):** Mr. Speaker, I rise to introduce a Bill for an Act to amend the Caribbean Community (Free Movement of Skilled Persons) Act, Chapter 17:02 of the Substantive Laws of Belize, Revised Edition 2011; to make provision in the interest of administrative and operational efficiency, for the responsible Minister to delegate certain functions to any Minister of State appointed to assist the Minister; and to provide for matters connected therewith or incidental thereto

This Bill has the recommendation of the Cabinet.

**MR. SPEAKER:** Honourable Members, that Bill is referred to the Constitution and Foreign Affairs Committee for examination, consideration and report.

Bill read a first time.

**MOTIONS RELATING TO THE BUSINESS OR SITTINGS OF THE HOUSE**

**RT. HON. D. BARROW (Prime Minister and Minister of Finance, Public Service, Energy and Public Utilities):** Mr. Speaker, I move that at its rising today, the House adjourn to Tuesday, 22<sup>nd</sup> March 2016 at 10:00 A.M.

**MR. SPEAKER:** Honourable Members, the question is that the House at its rising today, adjourn to Tuesday, 22<sup>nd</sup> March 2016, at 10:00 A.M.

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

**PUBLIC BUSINESS**

**A. Government Business**

**I MOTIONS**

**1. Establishment of the National Assembly Staff Committee Motion, 2016.**

**RT. HON D. BARROW (Prime Minister and Minister of Finance, Public Service, Energy and Public Utilities):** Mr. Speaker, I move, **WHEREAS**, section 3 (1) of the National Assembly Staff Act (No. 1 of 2000) establishes a National Staff Committee, consisting of the Speaker of the House of Representatives, or in his absence the Deputy Speaker; three Members of the House of Representatives; the President of the Senate and one Member of the Senate nominated by the Senate; and one member of the staff of the National Assembly or one other person who is not a member of staff of the National Assembly nominated by the staff of the National Assembly;

**AND WHEREAS**, section 3 (1) (b) of the National Assembly Staff Act (No. 1 of 2000) provides that the three Members of the House of Representatives forming part of the National Assembly Staff Committee shall be nominated by the House;

**NOW, THEREFORE, BE IT RESOLVED** that this House hereby nominate the Honourable Patrick Faber, the Honourable John Saldivar, and the Honourable Florencio Marin Jr. to be members of the National Assembly Staff Committee.

This Motion has the recommendation of the Cabinet.

**MR. SPEAKER:** Honourable Members, that Motion is referred to the Constitution and Foreign Affairs Committee for examination, consideration and report.

**RT. HON D. BARROW (Prime Minister and Minister of Finance, Public Service, Energy and Public Utilities):** Mr. Speaker, I seek the indulgence of the House to have this Motion 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.

**2. The OPEC Fund for International Development US\$11,780,000 – Construction of the Airport Link Road Project - Loan Motion, 2016.**

**RT. HON. D. BARROW (Prime Minister and Minister of Finance, Public Service, Energy and Public Utilities):** Mr. Speaker, I move, **WHEREAS**, Member States of the Organization of Petroleum Exporting Countries (OPEC), being conscious of the need for solidarity among all developing countries and aware of the importance of financial cooperation between them and other developing countries, have established the OPEC Fund for International Development (OFID) to provide financial support on concessionary terms to developing countries;

**AND WHEREAS**, the Government of Belize aims at improving the socio-economic integration of the Western Paradise and Ladyville communities

by constructing a road from Mile 8 of the George Price Highway to the Phillip Goldson International Airport, which will involve costs in civil works, land acquisition, consultancy services and supervision;

**AND WHEREAS**, the Government of Belize has requested assistance from OFID in the sum of US\$11.78 million for partial financing of the Project;

**AND WHEREAS**, the OFID has approved an offer of a Loan of US \$11,780,000.00 to the Government of Belize to finance 87% of the total costs of the civil works component of the Project;

**AND WHEREAS**, the approved financing will be used towards the general mobilization and site preparation, earth works, construction of embankments and pavement, construction of roundabouts and intersections on both ends of the road, construction of a bridge; installation of necessary drainage infrastructure along the road and bridge, and the installation of utilities structures, street lighting and other protection and safety works;

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

Lender:	The OPEC Fund for International Development (OFID);
Loan Principal Amount:	US\$11,780,000.00;
Loan Term:	20 years (5 years grace period plus 15 years repayment period);
Grace Period:	5 years from the Date of the Loan Agreement;
Repayment period:	Repayment in thirty (30) semi-annual installments commencing January 15, 2021;
Purpose:	To construct a road from Mile 8 of the George Price Highway to the Phillip Goldson International Airport;
Rate of Interest:	At a rate of 2.75 percent 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 percent (1.0%) 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 towards the improvement of the regional road network and the socio-economic integration of the Ladyville and Western Paradise Communities, approves and confirms that the Government of Belize may enter into a Loan Agreement with the OPEC Fund for International Development (OFID) 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:** One second, Member, Prime Minister, can you please read the Motion for the 12:00 o'clock hour?

**RT. HON. D. BARROW (Prime Minister and Minister of Finance, Public Service, Energy and Public Utilities):** 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 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.

One second, Member, before I recognize you, let me as well congratulate you on your elevation to Leader of the Opposition in this Honourable House. (Applause)

**HON. J. BRICEÑO (Leader of the Opposition):** Thank you, Mr. Speaker, and thank you for your kind words and to everyone. I just wanted to point out for the record that, first of all, this is a project that started way back under the PUP Government under the Right Honourable Said Musa, and certainly we would not have any objections. But will this be going through all its stages today? Or is it just for introduction?

**MR. SPEAKER:** Well, it's a Motion but you can debate it now.

**HON. J. BRICEÑO (Leader of the Opposition):** No, no, I am just asking if it is going to go through all its stages today.

**MR. SPEAKER:** Yes, I am told that it is going to be proposed for it to go through all its stages today.

**HON. J. BRICEÑO (Leader of the Opposition):** Ok, because that's the issue that I wanted to clarify because I could understand now the urgency in passing the Money Laundering and Terrorism (Prevention) (Amendment) Bill and the Customs Regulation (Amendment) Bill all in their three stages today. Now



with this Motion, Mr. Speaker, I think that I would like to put it on record that the now Government, the UDP, when they were in opposition they were constantly, whenever we would attempt to pass a Motion in its three stages in one House Sitting that they would criticize us about it. And I don't see why the hurry. We are going to have a meeting in two weeks time. So I'm certain that you can have a House Committee to meet between now and the two weeks' time. So I don't see the urgency for this Motion to be passed through all its stages forthwith.

I just want to give an undertaking that, when we get into government, when we form the next government that we are going to stop this practice, Mr. Speaker. That is my undertaking to you today and to the Government. Thank you, Sir.

**MR. SPEAKER:** Well, I don't know if the mover of the Motion wants to heed your request, but that's up to the mover of the Motion.

**RT. HON. D. BARROW (Prime Minister and Minister of Finance, Public Service, Energy and Public Utilities):** Mr. Speaker, we used to complain when Motions were going to be taken through all their stages at once when the contents of the Motions were clearly controversial. One example is the Soybean Project when some Motion was brought to sell for some fire sale price, the special share, that sort of thing. Mr. Speaker, Lord, man, there is nothing controversial about this. The first time I am hearing that, I'm not sure whether the Leader of the Opposition is saying it was a project conceived with, I never heard of this and, in fact, all the officials tell us that this notion completely originated with the UDP. But fine I will grant that even more then, what is the difficulty? We are in a rush to get things moving so that works can start, and we can do the land acquisition, and this phenomenal project to link up the George Price Highway with the Phillip Goldson International Airport to build a bridge over the river behind Gentrac and to come out in the area of Western Paradise, (No, we don't build bridges to nowhere. You are getting your info mixed up.) that there is not a sole we think, and I'm happy to hear the Leader say he is not in opposition to it. In fact, he is in support of it. But given that that's all it is we really cannot see that it serves any purpose to wait, and so I respect the Leader of the Opposition's objection, but we are determined to proceed with this today.

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

**RT. HON. D. BARROW (Prime Minister and Minister of Finance, Public Service, Energy and Public Utilities):** Mr. Speaker, I seek the indulgence of the House to have this Motion 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.

### **3. Official Charities Fund Motion, 2016.**

**RT. HON. D. BARROW (Prime Minister and Minister of Finance, Public Service, Energy and Public Utilities):** Mr. Speaker, I move, **BE IT RESOLVED THAT** this House approves the expenditure of \$2,353,589 from the Official Charities Fund as detailed in Appendix A of the Draft Estimates of Revenue and Expenditure for the year ending 31<sup>st</sup> March 2016.

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

#### **ANNOUNCEMENT BY THE SPEAKER**

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

1. Money Laundering and Terrorism (Prevention) (Amendment) Bill, 2016;
2. Customs Regulation (Amendment) Bill, 2016;
3. Establishment of the National Assembly Staff Committee Motion, 2016; and
4. The OPEC Fund for International Development -US \$11,780,000 – Construction of the Airport Link Road Project - Loan Motion, 2016.

As you are well aware, under Standing Order No. 74, all proposed Legislation, Messages, Petitions, Motions and other matters relating to the subject 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.

The only logical way for this to be done, other than by suspension of Standing Orders, is for me to suspend the Sitting to enable the Finance and Economic Development Committee and the Constitution and Foreign Affairs Committee to examine, consider and report to the House on the Bills and Motions.

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

The Sitting was therefore suspended until the Finance and Economic Development Committee and the Constitution and Foreign Affairs Committee have concluded their business.

The Meeting suspended at 12:00 noon.

The Meeting resumed at 1:40 P.M.

#### **PRESENTATION OF REPORTS FROM SELECT COMMITTEES**

**HON. J. SALDIVAR (Minister of National Security):** Mr. Speaker, I rise to lay on the Table the Report from the Finance and Economic Development Committee on the OPEC Fund for International Development – US\$11,780,000 - Construction of the Airport Link Road Project – Loan Motion, 2016; the Report on

the Money Laundering and Terrorism (Prevention) (Amendment) Bill, 2016; and also the Report on the Customs Regulations (Amendment) Bill, 2016.

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

**HON. P. FABER (Minister of Education, Culture, Youth and Sports):** Mr. Speaker, I rise to lay on the Table the Report from the Constitution and Foreign Affairs Committee on the Establishment of the National Assembly Staff Committee Motion, 2016.

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

## PUBLIC BUSINESS

### A. GOVERNMENT BUSINESS

#### II MOTIONS

##### 1. Establishment of the National Assembly Staff Committee Motion, 2016.

**RT. HON. D. BARROW (Prime Minister and Minister of Finance, Public Service, Energy and Public Utilities):** Mr. Speaker, with your permission not to repeat the recitals, I move, **NOW, THEREFORE, BE IT RESOLVED** that this House hereby nominate the Honourable Patrick Faber, the Honourable John Saldivar, and the Honourable Florencio Marin Jr. to be members of the National Assembly Staff Committee.

**MR. SPEAKER:** Honourable Members, the question is, **NOW, THEREFORE, BE IT RESOLVED** that this House hereby nominate the Honourable Patrick Faber, the Honourable John Saldivar, and the Honourable Florencio Marin Jr. to be members of the National Assembly Staff Committee.

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

##### 2. The OPEC Fund for International Development – US \$11,780,000 – Construction of the Airport Link Road Project – Loan Motion, 2016.

**RT. HON. D. BARROW (Prime Minister and Minister of Finance, Public Service, Energy and Public Utilities):** 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 towards the improvement of the regional road network and the socio-economic integration of the Ladyville and Western Paradise Communities, approves and confirms that the Government of Belize may enter into a Loan Agreement with the OPEC Fund for International Development (OFID) 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 Honourable House, being satisfied that the loan proceeds would significantly contribute towards the improvement of the regional road network and the socio-economic integration of the Ladyville and Western Paradise Communities, approves and confirms that the Government of Belize may enter into a Loan Agreement with the OPEC Fund for International Development (OFID) 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.

### III BILLS FOR SECOND READING

1. **Money Laundering and Terrorism (Prevention) (Amendment) Bill, 2016.**

**RT. HON. D. BARROW (Prime Minister and Minister of Finance, Public Service, Energy and Public Utilities):** Mr. Speaker, I move the second reading of a Bill for an Act to amend the Money Laundering and Terrorism (Prevention) Act, No. 18 of 2008; to provide for measures to ensure compliance with international standards and obligations in relation to money laundering and terrorist financing and implementation of UN Security Council Resolutions; and to provide for matters connected therewith or incidental thereto.

**MR. SPEAKER:** Honourable Members, the question is that the Bill for an Act to amend the Money Laundering and Terrorism (Prevention) Act, No. 18 of 2008; to provide for measures to ensure compliance with international standards and obligations in relation to money laundering and terrorist financing and implementation of UN Security Council Resolutions; 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.

Bill read a second time.

2. **Customs Regulation (Amendment) Bill, 2016.**

**RT. HON. D. BARROW (Prime Minister and Minister of Finance, Public Service, Energy and Public Utilities):** Mr. Speaker, I move the second reading

Bill for an Act to amend the Customs Regulation Act, Chapter 49 of the Substantive Laws of Belize, Revised Edition 2011; to provide for measures to ensure compliance with international standards and obligations in relation to money laundering and terrorist financing; to raise the threshold for currency declarations to \$20,000; to simplify procedures for currency declarations; and to provide for matters connected therewith or incidental thereto.

**MR. SPEAKER:** Honourable Members, the question is that the Bill for an Act to amend the Customs Regulation Act, Chapter 49 of the Substantive Laws of Belize, Revised Edition 2011; to provide for measures to ensure compliance

with international standards and obligations in relation to money laundering and terrorist financing; to raise the threshold for currency declarations to \$20,000; to simplify procedures for currency declarations; 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.

Bill read a second time.

**3. Extradition (Amendment) Bill, 2016.**

**HON. W. ELRINGTON (Minister of Foreign Affairs):** Mr. Speaker, I rise to move the second reading of a Bill for an Act to amend the Extradition Act, Chapter 112 of the Substantive Laws of Belize, Revised Edition 2011; to make provision for the extradition of fugitive criminals between Belize and the United Mexican States; and to provide for matters connected therewith or incidental thereto.

**MR. SPEAKER:** Honourable Members, the question is that the Bill for an Act to amend the Extradition Act, Chapter 112 of the Substantive Laws of Belize, Revised Edition 2011; to make provision for the extradition of fugitive criminals between Belize and the United Mexican States; 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.

Bill read a second time.

**IV COMMITTEE OF THE WHOLE HOUSE ON BILLS**

**MR. SPEAKER:** Honourable Members, the House will now resolve into a Committee of the whole House to consider the Bills that were read a second time.

I would like to ask the public in the Galleries to kindly leave during this portion of the Sitting.

[In the Committee]

The Deputy Speaker in the Chair.

**1. Money Laundering and Terrorism (Prevention) (Amendment) Bill, 2016.**

Clauses 1 to 30 agreed to.

Bill to be reported back to the House without amendment.

**2. Customs Regulation (Amendment) Bill, 2016.**

Clauses 1 to 19 agreed to.

The Schedule agreed to.

Bill to be reported back to the House without amendment.

**3. Extradition (Amendment) Bill, 2016.**

Clauses 1 to 7 agreed to.

The Schedule agreed to.

Bill to be reported back to the House without amendment. \_\_

MR. SPEAKER in the Chair.

**IV BILLS FOR THIRD READING**

**1. Money Laundering and Terrorism (Prevention) (Amendment) Bill, 2016.**

**RT. HON. D. O. BARROW (Prime Minister and Minister of Finance, Public Service, Energy and Public Utilities):** Mr. Speaker, I rise to report that the Committee of the whole House has considered the Money Laundering and Terrorism (Prevention) (Amendment) Bill, 2016, and passed it without amendment.

I now move the third reading of that Bill.

**MR. SPEAKER:** Honourable Members, the question is that the Bill for an Act to amend the Money Laundering and Terrorism (Prevention) Act, No 18 of 2008; to provide for measures to ensure compliance with international standards and obligations in relation to money laundering and terrorist financing and implementation of UN Security Council Resolutions; 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.

Bill read a third time.

**2. Customs Regulation (Amendment) Bill, 2016.**

**RT. HON. D. O. BARROW (Prime Minister and Minister of Finance, Public Service, Energy and Public Utilities):** Mr. Speaker, I rise to report that the Committee of the whole House has considered the Customs Regulation (Amendment) Bill, 2016, and passed it without amendment.

I now move the third reading of that Bill.

**MR. SPEAKER:** Honourable Members, the question is that the Bill for an Act to amend the Customs Regulation Act, Chapter 49 of the Substantive Laws of Belize, Revised Edition 2011; to provide for measures to ensure compliance with international standards and obligations in relation to money laundering and terrorist financing; to raise the threshold for currency declarations to \$20,000; to simplify procedures for currency declarations; 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.

Bill read a third time.

### **3. Extradition (Amendment) Bill, 2016.**

**HON. W. ELRINGTON (Minister of Foreign Affairs):** Mr. Speaker, I rise to report that the Committee of the whole House has considered the Extradition (Amendment) Bill, 2016, and passed it without amendment.

I now move the third reading of a Bill for an Act to amend the Extradition Act, Chapter 112 of the Substantive Laws of Belize, Revised Edition 2011; to make provision for the extradition of fugitive criminals between Belize and the United Mexican States; and to provide for matters connected therewith or incidental thereto.

**MR. SPEAKER:** Honourable Members, the question is that the Bill for an Act to amend the Extradition Act, Chapter 112 of the Substantive Laws of Belize, Revised Edition 2011; to make provision for the extradition of fugitive criminals between Belize and the United Mexican States; 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.

Bill read a third time.

## **ADJOURNMENT**

**RT. HON. D. O. BARROW (Prime Minister and Minister of Finance, Public Service, Energy and Public Utilities):** Mr. Speaker, I move that the House do now adjourn

**HON. J. BRICEÑO (Leader of the Opposition):** Thank you, Mr. Speaker. I want to speak on a matter of national importance, that is, the issue of International Women's Day which we are celebrating across the world. But first I need to start off by congratulating the Prime Minister on his elevation to Right Honourable. We are all proud of any Belizean that would get such an exalted position. So congratulations, Prime Minister. It is much earned.

At the same time, Mr. Speaker, I want to also thank my Members on this side of the aisle that have given me the privilege to be the Leader of the Opposition once again. (Applause) I want to assure you and the Belizean people that we will, at all times, be willing to work with the government whenever there are pressing issues that are for the betterment of all Belizeans. But as such as the

Opposition from time to time we will have to oppose because if we believe that whatever the government is presenting is not in the best interest of the people because I want to make it abundantly clear that at all times, we in this side of the House will stand up each and every time for and on behalf of the Belizean people.

I want to also take this opportunity, as I said, to congratulate all the Belizean women on their day. It is one day of the year that the international community takes to celebrate the achievements of women all over, and here in Belize whilst there is a lot that has been achieved there is so much more that we have to do. But I want to take this time to recognize all the hardworking women of this country. We in the PUP have a very proud history when it comes to promoting women's rights and creating opportunities for our women in this country. Our party was the first one that had a woman as a Minister, Madam Lizarraga, and there are so many things that we can remember, especially when you talk to the people in Belize City who will tell you that at one time women did not have the right to get a piece of land or it was extremely difficult for them to get a piece of land. And I am told that at one time she got a group of women and they went, I think, by the West Landivar area with their own strings and she measured out pieces of land saying that this will be your lot and actually it forced the government to start to make sure that women can have access to land.

And, of course, I recognize the wonderful work that Dolores Balderamos Garcia did doing her time in presenting many Bills and laws to promote women's rights and to strengthen the rights of the women in Belize. Patty Arceo and today we have two strong women here, Honourable Tracy Taegar-Panton, and Honourable Beverly Castillo, congratulations to you all too, ladies. (Applause)

And there are so many women that we are so proud of. I mean my mother, if you will allow me, you know who came from a very, very poor family and could not go to high school but stayed in school and then became a pupil teacher and started teaching and eventually got a scholarship to go to study all the way to England. And she was one of those very strong women who felt that a woman must have an education so that should things go wrong at home you can go out and defend yourself, and that's what she did. I want to acknowledge her. She is no longer here with us, but I am so proud of her and so many thousands of single mothers across the length and breadth of this country who every day, (Applause) who everyday despite the hardships that they find, the challenges that are in front of them, they never give up on their children and they work hard every single day to bring that meal for their children. So today I recognize all the wonderful women of this country. I congratulate them on their work, and I want to tell them that we are proud of them and that we want to continue to work, defend and protect each and every one of them. Thank you, Mr. Speaker. (Applause)

**HON. O. HABET (Cayo North East):** Mr. Speaker, I rise to address a matter that my constituency believes is of urgent and grave importance. I speak to the issue of the Hammock Bridge that connected the villages of Santa Familia, San Jorge and Branch Mouth. This Hammock Bridge went down during the flood in the first week of October in 2014, and to date that bridge has not been put up.

Mr. Speaker, it is very important for these people who live in these villages because the only other access that they have is through a really bad road from Santa Familia through Bullet Tree into San Ignacio. The thing is that that Hammock Bridge connects across the Mopan River right where the tributaries of the Macal River, and it is an easy access, a quick access that they would take



through that Hammock Bridge for labourers going into San Ignacio/Santa Elena beyond to work, for the people who have to make the connection, especially students who go to high school and sixth form in San Ignacio and Santa Elena and Benque Viejo, and for those who have to make the connections by bus when they reach San Ignacio to go to the University of Belize, to Galen and otherwise. It is very important, Mr. Speaker, and I would like to see that the government and I would like to see my colleague, the Honourable Member from Cayo Central, the Minister of Works, to assist us in putting back that bridge that gives access to those people from those three communities who have over 2,500 people that need to have access from Branch Mouth to San Ignacio proper. Thank you very much. (Applause)

**HON. R. MONTERO (Minister of Works, Transport and NEMO):**

Mr. Speaker, I agree with my colleague from Cayo North, but the position is that we have time and time again replaced that bridge almost like three times per year. The problem is that we need to ensure that the people that used it used it properly. We have horses, motorcycles, everything passing through that bridge, and all they do is to make it impossible for people to use it. So I advised the Member for Cayo North who is in that constituency to advise the people how to use that bridge. We have time and time again replaced that bridge, and we intend to replace it or fix it again, but it has to be used properly. Thank you.

**HON. J. ESPAT (Cayo South):** Mr. Speaker, I would like to speak on a matter of national importance which is health care for the residents of Cayo South, just that this time, Mr. Speaker, it is in a positive light. A week ago, Mr. Speaker, I had an experience where a constituent of mine got bitten by a Tommy Goff in Roaring Creek by the river, and we were lucky enough, Mr. Speaker, to take him to the Western Regional Hospital, and to my surprise, Mr. Speaker, because we have been hearing a lot of negative things about what's happening at the Western Regional, but to my surprise, Mr. Speaker, the doctors and the nurses that were on duty in the emergency ward did a fabulous job to be able to save this gentleman's life. (Applause) Never have I been put in that position, Mr. Speaker. While I was there when this gentleman could have died, and it was at the point of doing that and the doctors did every single thing possible to bring him back.

And what was good, Mr. Speaker, is that the Western Regional at that point in time had the anti venom in their hands. They did all the tests, and the gentleman, I must say, is now back at work, and he is healthy, and thank the Lord he is alive. And so, Mr. Speaker, what we need to do, and this is based on my personal experience because the Western Regional is where all the residents of Cayo South seek medical attention and it is important that they get this service, and it is important that we on both sides of this House find the necessary budget to be able to provide the necessary medical equipment that the doctors and the nurses need. And in this case it was there, and I would like to urge the government to continue with that. Thank you so much, Mr. Speaker. (Applause)

**HON. M. ESPAT (Toledo East):** Thank you, Mr. Speaker. Mr. Speaker, I would like to raise a very important point today, and that is the continued corruption in the Lands Department. And I don't want the Prime Minister after this meeting to say, "Oh, it is because of the community land problems that we are having in the south. That's why we cannot deal with the matter of land in the southern part of this country" a part of which I represent.

Mr. Speaker, under the People's United Party, some of these villages that are crying about communal land are the same people who were issued leases under the People's United Party. And from the time the United Democratic Party came into Government, these people have not been able to pay for their leases. And we keep hearing the excuse that, "Oh, we are not doing it because of this problem in the court in regards to communal land." Just Sunday, I was sitting in the farm fourteen with one of my constituents. He got his permission to purchase. He started to pay the purchase price for his land, and after a few payments, he was told, "You can't pay no more". Now we don't know if these people have mortgages on these lands, if they borrowed money on these lands. We also have a problem in the village of Trio, and I think the Leader of the Opposition already spoke to the Prime Minister about this, and I know they will say, "But, oh, that is an old problem."

Mr. Speaker, if we are not doing this land distribution properly, people will begin and continue to squat on government land and on private land because that is what is happening. And in the situation, remember in Bella Vista Village alone, you are talking about five thousand people, no job in the shrimp farms. The banana farms are closing, there is no jobs. So these people have to live, and the only way they can live is if they go back to planting and to provide their own food.

So, if the Lands Department continue to make it so difficult for somebody to process their land application, this problem is going to continue, and that is why I am raising this issue here today. In the village of San Pablo, the past Prime Minister, the Right Honourable Said Musa, gave that village one thousand acres of land divided into thirty-acre parcels. Every single one of them got their documents, and up to this day, they cannot pay for those leases. So this is discouraging to the people, but some of these people are the same people that are complaining about communal land and wanting more land. So we have to be very careful in what we are doing, but if we delay and continue to delay the processing of land applications in this country the squatting is going to continue. Thank you. (Applause)

**HON. R. FERGUSON (Stann Creek West):** Mr. Speaker, as a matter of national concern, we have a serious crisis growing in the citrus industry. Since last week, again, the farmers have not been paid for produce sent to the factory. And I was told, after I investigate, that there was a loan approval, I think, by Heritage Bank of US\$5 million to CPBL. But the committee that is responsible at the Central Bank has not met since November, and so that loan has not been sanctioned by Heritage Bank to be passed on to CPBL. We all know in our country our main source of industries. They sell their produce, and they collect at a later date. So right now CPBL and the entire citrus industry are in a serious crisis, waiting for that approval to make sure they can pay the farmers for their produce. The big farmers can afford it because they may have overdraft, but the small farmers who pay on a weekly basis cannot afford to pay their reapers and their haulers. And moreover our reapers come from Guatemala, the majority of them, because no Belizean wants to reap oranges again. So when the farmers tell them, "I cannot pay," they will believe that the farmer cannot pay, but the farmer is waiting to collect from CPBL who has no money to pay them. So I am asking the Prime Minister to intervene as quickly as possible and see how quick this can be solved. Thank you.

**RT. HON. D. BARROW (Prime Minister and Minister of Finance,**

**Public Service, Energy and Public Utilities):** Mr. Speaker, I thank the Member for raising the issue. But, of course, he has his facts terribly wrong. It is not that CPBL got some loan from Heritage but that a committee of the Central Bank has not met since November and they need, to approve. But, no, man, Honourable Deputy Leader, you really need to do more homework than that, and the facts, insofar as that aspect is concerned, that is straightforward, and you can get it from CGA. They have, in fact, issued various press releases. You can get it from CPBL. So I don't think that is an excuse to mangle the thing so terribly and say, well, that's what you were told.

Anyway, that apart let me, if I may, Sir, just tell you exactly what the factual position is. Every year, as I understand it, CPBL has this difficulty where the payments for their exports come in some months or so after the actual exports would have been received by those to whom the exports go. So they have this short-term or perhaps not so short, they have this problem where they need to pay the farmers for the delivery of the fruit but they in turn send their products out and they don't get paid until months thereafter. It is always an annual short-term issue. Clearly some effort will have to be made to solve this on a more permanent basis because in the last two years government has had to intervene. Initially we gave \$4 million as a sort of bridging loan so they can pay the farmers, and last year we gave \$2 million. On both occasions when the flows came into CPBL they repaid the money. So, as far as we can tell, it really is only this temporary cash flow problem, and nobody who advances a sort of bridge loan or a working capital loan need have any fear that they will not be repaid. Come this year they have not even approached government. Maybe it's just as well because we have to pay early for the close of the financial year but it doesn't matter.

CPBL, that is the industry, went directly to Heritage Bank. As I understand it, Heritage Bank is in possession of excess liquidity, especially now with their acquisition of FirstCaribbean International Bank. You know you will have two sides to a story. There is some argument as to whether the application made by Heritage Bank for permission from the Central Bank to make the loan to CPBL was received in a timely fashion. In any case, where are things now? Heritage is perfectly willing to lend CPBL this money. The amount CPBL is asking for is \$10 million. Two years ago we gave \$4 million. Last year we gave \$2 million. I am not sure why the size of the bridge loan that's required has increased. But CPBL has asked Heritage Bank to lend \$10 million, and Heritage is perfectly prepared to do so.

One of the difficulties though is that CPBL is already leveraged to the hilt and so they can't find additional collateral for this short term loan. And, again, in terms of capital ratio requirements and so on, in the mix the loan has to be approved by the Central Bank of Belize. So, if I can recap, Heritage has the money willing to lend. I don't think there is any notion, any question at all, but that, if they are allowed to do so, CPBL will repay the money once their flows begin to come in. But for the reasons I've just explained the Central Bank of Belize must first approve that loan before Heritage Bank can disburse to CPBL.

The Central Bank met perhaps 2 weeks or so ago, the board for various things. I am sure they had their usual agenda. But principal on their agenda at that time was the application by Heritage for permission to make the \$10 million advance to CPBL. As I understand it, the Central Bank Board felt that there was more information that was needed before they could make a decision, and they

sent out a request to Heritage for the additional documentation to be submitted. In the mean time though, the Central Bank pointed out to Heritage that to the extent of \$3.5 million there was no need for Heritage Bank to get Central Bank's approval. In other words, it had enough headroom with respect to its capital requirements. You can't lend beyond a certain percentage of the capital that you have. All that is perhaps too technical to be bothered with. Bottom line was that Heritage was able to advance \$3.5 million out of the \$10 million to CPBL without the Central Bank having to actually pass a decision on the totality of the loan application. Central Bank pointed this out to Heritage and Heritage Bank advanced that \$3.5 million. So it is now a matter of the difference between the \$3.5 million and the \$10 million that Heritage originally sought to lend.

The Central Bank Board was to have a meeting on Friday. I don't believe that the additional documentation was at that point received. I am not sure how quickly after Central Bank said to Heritage, "Look you can lend \$3.5 million without the need for any permission but we will in the meantime defer our decision on the balance of the loan," I am not sure how quickly after they did that they sent to Heritage to say, "Get in your documentation, so we can have our deliberations and make a final determination as soon as possible." In any event, the documentation as of Friday had not yet been received, and it turned out that the Central Bank Board couldn't have a quorum. Various people were travelling. So that meeting didn't come off. The meeting is now set for tomorrow, as I understand it, where it is absolutely certain that the Board will have a quorum. And I think that the additional documentation that is required from Heritage by the Central Bank would certainly have been forthcoming by the time the Board meets tomorrow. I therefore hope and believe that the Central Bank will be able to approve the balance of the amount in terms of what CPBL originally applied for, but which already has seen \$3.5 million given over to CPBL. When Heritage did that the farmers who had not been paid were paid. But, of course, that lasted maybe for 2 weeks or 3 weeks, and then you have the same problem all the way coming back again. According to CPBL, if they get the balance, that will see them all the way through to the time when the flows, when their payments for the exports start coming in at which time they can both continue to pay the farmers and begin to take care of the repayment of however much Heritage in the final analysis would have advanced them.

So it is not as though there is not a problem. There is a problem, but the problem is an objective one because of this mismatch in terms of timing, sequencing. It is a problem that I am confident is going to be solved one way or another. The preferable solution being that the Central Bank will approve the Heritage application to lend the balance of the money to CPBL. Ultimately this Government will not stand by and see CPBL unable to obtain that short-term loan. So, if we absolutely have to, we will again advance at least a portion of the difference that CPBL now wishes. But I am saying we are having our own cash flow problems, and the fact is that the bank has the money and is willing to lend. So I agree with CPBL. Why come to government when there is a commercial bank already very much a lender to CPBL and they are already familiar with CPBL's balance sheet and where they are? There is that commercial lender, Heritage, more than willing to advance the money. In the circumstances, I hope that the Central Bank will approve the application and there will be no need to come to government. But it is a matter for the Central Bank Board. We don't interfere with the Central Bank Board. There are good people on that board, I believe, but I know that they will act in a professional manner. I can't presume as

to their decision, but, in terms of what I know and the figures I have looked at, I am able to express confidence that they will approve the application and that will take care of the problem. As I said, as a back stuck, there is always the Government of Belize who, as we have demonstrated time and time again, not least with the \$4 million and the \$2 million that we had advanced, will not allow a crisis to overtake the industry. (Applause)

**HON. F. MARIN JR.(Corozal South East):** Mr. Speaker, on a matter of importance for Corozal South East, I just wanted to raise something with the Minister of Works where just last week a vehicle fell out of the ferry, and the ferry is in urgent need of repairs. Everyday hundredths of hundredths and students, workers, etcetera are crossing this ferry, and I do think it has reached now at the critical point where it needs more and more critical repairs, and I just wanted to bring that to the attention of the Minister if he could be kind enough to look into that. Thank you very much.

**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 adjourn.

The House adjourned at 1:40 P.M. to a date to be fixed by the Speaker.

Speaker.

\*\*\*\_\*\*\*\_\*\*\*