

BELIZE

No. 3/1/13

SENATE

Wednesday, 27th January 2016

10:12 A.M.

Pursuant to the direction of Mr. President, in writing, dated 22nd January 2016, the Senate met in the National Assembly Chamber in Belmopan on Wednesday, 27th January 2016, at 10:12 A.M.

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Members Present:

Senator, the Honourable Lee Mark Chang – President
Senator, the Honourable Godwin Hulse – Leader of Government Business
and Minister of Natural Resources and Immigration
Senator, the Honourable Dr. Carla Barnett – Vice-President
Senator, the Honourable Francine Burns
Senator, the Honourable Macario Coy Sr.
Senator, the Honourable Stephen Duncan
Senator, the Honourable Aldo Salazar
Senator, the Honourable Lisa Shoman
Senator, the Honourable Anthony Sylvestre Jr.
Senator, the Honourable Patrick Andrews
Senator, the Honourable Markhelm Lizarraga
Senator, the Honourable Rev. Ashley Rocke
Senator, the Honourable Elena Smith

MR. PRESIDENT *in the Chair.*

PRAYERS *by Senator Rev. A. Rocke.*

OATH OF ALLEGIANCE OF A NEW SENATOR

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

SENATOR E. SMITH: I, Elena Smith, do swear that I will bear true faith and allegiance to Belize and will uphold the Constitution and the law, and that I will conscientiously, impartially and to the best of my ability discharge my duties as a Senator and do right to all manner of people without fear or favour, affection or ill-will. So help me, God. (Applauses)

MR. PRESIDENT: First of all, congratulations, Senator Smith, and welcome to today's Sitting. I look forward in working together with you.

ANNOUNCEMENT BY THE PRESIDENT

MR. PRESIDENT: Honourable Members, by letter dated 22nd January 2016, Cabinet's recommendation has been signified to the following:

1. Private Pensions Bill, 2015;
2. Treasury Bills (Amendment) Bill, 2015;
3. Belize Island Holdings Facility Development Bill, 2015;
4. European Investment Bank – Eight Million Euro Line of Credit to the Development Finance Corporation Loan and Guarantee Motion, 2016.

BILLS BROUGHT FROM THE HOUSE OF REPRESENTATIVES

SENATOR G. HULSE (Leader of Government Business and Minister of Natural Resources and Immigration): Mr. President, a pleasant good morning, Senators. May I, with your concurrence, take this first opportunity to welcome Madam Senator Elena Smith, representing the National Trade Union Congress and Civil Society Steering Committee, to this Honourable Chamber. Mr. President, I rise to take charge of the following Bills:

1. Private Pensions Bill, 2015;
2. Treasury Bills (Amendment) Bill, 2015;
3. Belize Island Holdings Facility Development Bill, 2015;
and
4. Belize National Coast Guard Service (Amendment) Bill, 2015.

Mr. President, in accordance with Standing Order No. 49 (1), I move that the Bills be taken through all their stages forthwith.

MR. PRESIDENT: Honourable Members, the question is that the Bills be taken through all their stages forthwith.

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

PAPERS

SENATOR G. HULSE (Leader of Government Business and Minister of Natural Resources and Immigration): Mr. President, I rise to lay on the Table Sessional Paper No. 2/1/13 - Financial Statements for Years Ended December 31, 2014 and 2013; Actuarial Review of the Social Security Scheme as at December 2014.

MR. PRESIDENT: Honourable Members, that paper is ordered to lie on the Table.

MOTIONS RELATING TO THE BUSINESS OR SITTINGS OF THE SENATE

SENATOR G. HULSE (Leader of Government Business and Minister of Natural Resources and Immigration): Mr. President, I move that at its rising today the Senate adjourn to a date to be fixed by the President.

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

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

PUBLIC BUSINESS

A. GOVERNMENT BUSINESS

I MOTIONS

1. European Investment Bank – Eight Million Euro Line of Credit to the Development Finance Corporation Loan and Guarantee Motion, 2016.

SENATOR G. HULSE (Leader of Government Business and Minister of Natural Resources and Immigration): Mr. President, I move that:-

WHEREAS, section 15(1) of the Development Finance Corporation Act, 2009 (No. 1 of 2009), provides that the Development Finance Corporation (DFC) may, with the approval of the Minister, borrow sums domestically or internationally for meeting any of its obligations or discharging any of its functions;

AND WHEREAS, subsection (4) of the said section 15 further provides that an aggregate domestic debt in excess of BZ\$5.0 million shall be subject to the prior approval of the National Assembly;

AND WHEREAS, the European Investment Bank (EIB) has offered a Loan equivalent to Euro 8 Million (to be disbursed and repaid in United States of America Dollars) to the DFC for on-lending to eligible small and medium sized commercially run enterprises and micro investments in Belize;

AND WHEREAS, the key financial terms and conditions of the Loan are as follows:

- (a) Loan Amount: equivalent to Euro 8 Million;
- (b) Loan Tenor: up to 10 years inclusive of grace period not exceeding 4 years;
- (c) Repayment: is due semi-annually on each disbursement tranche, which will have separate repayment schedules based on the term and interest rate selected by the DFC;
- (d) Interest: is due semi-annually on each disbursement tranche and

may be either fixed or floating rate, as follows:

- (i) Fixed rate: not exceeding 3.49%;
- (ii) Floating rate: Six months LIBOR plus one hundred and twenty (120) basis points (1.2%);

AND WHEREAS, in addition to the above financial terms, another key condition is that the Loan shall be guaranteed by the Government of Belize;

AND WHEREAS, section 7(6) of the Finance and Audit (Reform) Act (No. 12 of 2005) provides that before the Government offers any guarantee or some other form of security in support of any loan made directly to a private sector entity or statutory body by any public or private bank, financial institution or capital market in or outside Belize, the Government shall seek the approval of the National Assembly;

NOW, THEREFORE, BE IT RESOLVED that this Honourable House, being satisfied that the Loan would contribute to the social and economic development of Belize by improving the capacity of DFC to provide funding on an economically sustainable and environmentally acceptable basis:

- (i) approves that the DFC may borrow the said sum of Euro 8 Million from the EIB on the terms and conditions set out above and further authorizes the Board of Directors of the DFC to execute and deliver the Loan Agreement and all other documents associated therewith; and
- (ii) further approves and confirms that the Government may enter into a Guarantee Agreement with the EIB on the terms and conditions set out above, and further authorizes the Minister of Finance to execute and deliver the said Guarantee Agreement and all other documents associated therewith.

SENATOR M. LIZARRAGA: Thank you, Mr. President. Mr. President, if you'll indulge me a couple of seconds, I'd like to personally welcome Senator Elena as well. We've been colleagues on other institutions before, and it was always a pleasure working with her and I look forward to working with her in this institution as well. And, Mr. President, I'd like also to take this opportunity to wish Senator Shoman a very happy birthday. I found out this morning that it was her birthday on Facebook. So I take this opportunity to wish her well. (Applauses)

MR. PRESIDENT: Is it your 25th birthday, Senator Shoman? You don't look a day over 25 to me. Happy birthday. Thank you. I think we all concur.

SENATOR M. LIZARRAGA: Mr. President, I have some brief comments on this European Investment Bank Loan to the DFC. With your permission, I'll refer to my notes, Mr. President. Mr. President, a major development constraint on the Belizean private sector continues to be the cost of money to the Belizean investor. This immediately places our Belizean products at a competitive disadvantage against products manufactured in countries where

capital is cheaper. We know that the negotiations of the 8 million Euro Loan from the European Investment Bank have been going on for a while. And we firmly believe that the management and the team at the DFC have negotiated as best they could for these terms. However, Mr. President, what is concerning to us, and we'd like to state for the record that this loan has some preconditions. Perhaps the most concerning precondition and one that may pose a bit challenging, we understand, is that the funds from this source can only be used to finance up to 50% of any project, which means that the DFC or the investor has to fund the remaining 50% from other sources which could possibly make the loan experience more expensive, more cumbersome for the Belizean borrower.

Mr. President, we remind and we say, again, that it is a shame that a portion of the cheap Venezuelan funds were not used to make, truly make available truly affordable investment capital (Applauses) to the DFC and Belizean entrepreneurs. We note, and perhaps the bankers in the room can help, that we have a fixed rate now exceeding 3.5% on this loan and a floating rate LIBOR plus 120 basis points 1.2%.

Again, Mr. President, while we welcome any development capital into Belize, we certainly would like to see cheaper investment capital, and we don't foresee that the DFC will be in a position to lend this money at perhaps less than 8.5%. We continue to call for cheaper available funds, especially for development and especially for development through the Development Finance Corporation. Thank you, Mr. President.

SENATOR L. SHOMAN: Thank you, Mr. President. I, first of all, take the opportunity to welcome our newest colleague, Senator Elena Smith. We look forward to working with her, and, of course, on a purely feminist basis, I am absolutely delighted to see another woman join the ranks of the Senate. It is very positive. (Applauses) So welcome, Senator. Also, Mr. President, thank you to yourself and all my colleagues for the kind wishes. It is always a pleasure and a delight to be here any day, especially today. Thank you.

Mr. President, I associate myself with the remarks made by Senator Lizarraga. I think his concerns are prudent. And I think that we need to signal here that we expect to see that whatever lending is going to be done to eligible small and medium sized commercially run enterprises and micro investments in Belize have to not only be across the board but be fair, open and transparent and not subject to any political considerations. I think that is only fair. The other thing is to be very careful that when we are entering into these kinds of arrangements that we have all the necessary checks and balances in the institution in place to be able to administer this because unfortunately, Mr. President, we have lived through times where Government has seen it necessary, according to what it put forward at the time, to end up forgiving loans because they have gone bad, they were not performing and so on. This is just a reminder to all of us that we borrow these monies to be able to unlend. And so we had to be very careful when we are putting in place the regulations to borrow this money because this is a loan which will have to be guaranteed by the Government of Belize and, if loans perform or not, have to be repaid.

And we have here that we approve and confirm that the Government may enter into a Guarantee Agreement on terms and conditions and we authorize the

Minister of Finance to execute and deliver the said Guaranteed Agreement and all other documents. We would hope, Mr. President, that in due course, those documentations be made available to the Senate so that we again can have a bit more information. We ask for Cabinet papers. We ask for whatever documentation that we can get from the institution. It would have been good if we had been able to see the guarantee arrangement and the other documents associated therewith before being asked to approve this Motion. Sometimes we get those explanations. Sometimes we get them afterwards. So it would be good for us to have that at some point soon. Thank you, Mr. President.

SENATOR S. DUNCAN: Mr. President, I rise to support the Motion. I think what we have here today is an indication of the good work that is being done at the DFC today. It is only about 8 years ago that we may all recall that the international community avoided us like the plague after the last administration bankrupted the DFC and nobody wanted to deal with us. Today what we have is the first time since then for the EIB to be getting involved again, and I think that of itself says a lot for what has happened with the DFC since then. And I think it is only appropriate that I take the opportunity to shout out and give credit to, in particular the current General Manager, Mrs. Natalie Goff, and her team for doing a splendid job that the EIB is prepared to talk to us again because they didn't even want to talk with us.

From all indications, the DFC has been managing its affairs well since then and has been putting out quite a bit of loans in recent time something to the tune of about \$45 million. And they have been able to balance their portfolio where the most profitable business loans now form the larger part of the portfolio. This loan will allow them to continue to do that, and it is just ironic that Mrs. Goff, the person that was moved aside to allow the mismanagement of DFC, she was moved out of the way, is actually the person who has come back to save it and to bring respect and credibility and integrity back to the institution. I think that is very important to note.

I believe, Mr. President, that so far we have had only CDB and GOB put in money into the DFC. Now with the EIB, I think, we are on the right track, and I totally welcome this participation by the EIB. And I fully support what is happening here today. Thank you, Mr. President. (Applauses)

SENATOR G. HULSE (Leader of Government Business and Minister of Natural Resources and Immigration): Mr. President, I move that the question be put.

MR. PRESIDENT: Honourable Members, the question is, NOW, THEREFORE, BE IT RESOLVED that this Honourable House, being satisfied that the Loan would contribute to the social and economic development of Belize by improving the capacity of DFC to provide funding on an economically sustainable and environmentally acceptable basis:

- (i) approves that the DFC may borrow the said sum of Euro 8 Million from the EIB on the terms and conditions set out above and further authorizes the Board of Directors of the DFC to execute and deliver the Loan Agreement and all other documents associated therewith; and

- (ii) further approves and confirms that the Government may enter into a Guarantee Agreement with the EIB on the terms and conditions set out above, and further authorizes the Minister of Finance to execute and deliver the said Guarantee Agreement and all other documents associated therewith.

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

2. Re-Appointment of Ombudsman Motion, 2016.

SENATOR G. HULSE (Leader of Government Business and Minister of Natural Resources and Immigration): Mr. President, I move that:-

WHEREAS, section 3(2) of the Ombudsman Act, Chapter 5 of the Substantive Laws of Belize, Revised Edition 2011, provides that the Ombudsman shall be appointed by the Governor-General, acting on the recommendations of both Houses of the National Assembly contained in resolutions passed in that behalf;

AND WHEREAS, MR. LIONEL ARZU was appointed as Ombudsman for a period of three (3) years with effect from 1st January 2013, pursuant to a Resolution adopted by this House on 14th December 2012 and by the Senate on 19th December 2012;

AND WHEREAS, under section 4(1) of the Ombudsman Act, a person appointed as Ombudsman is, subject to the provisions of the said section 4, eligible for re-appointment at the expiry of his initial term of office;

AND WHEREAS, MR. LIONEL ARZU continues to possess the relevant qualifications and fulfils the requirements for appointment to the office of Ombudsman, as contained in the Ombudsman Act;

NOW, THEREFORE, BE IT RESOLVED that this Honourable House, being satisfied that MR. LIONEL ARZU is a fit and proper person to be re-appointed as Ombudsman, recommends to the Governor-General that MR. LIONEL ARZU be re-appointed as Ombudsman for a further period of one (1) year with effect from 1st January 2016, on his existing terms and conditions.

SENATOR L. SHOMAN: Thank you, Mr. President. You see, Mr. President, this is one of the things that I consistently speak about. That we come here, we are given Motions, the Motion has words, and then there is nothing for us to be able to bite in on the Motion. What do I mean by that? Here it is that we say that we are satisfied that Mr. Lionel Arzu is a fit and proper person to be re-appointed to be Ombudsman. How are we to be satisfied, Mr. President? Nobody has come here to give us any paper, any report, to say these are the things that the Ombudsman has done in the last three years so that we feel comfortable that he is, in fact, the right person who should be re-appointed. Other than that, all we have to fall back on are the prescriptions of the Act.

And one of the interesting things there in the Act is that the Ombudsman is someone who really should have some measure of security of tenure, and so the normal period of time for appointment is three years. If the Ombudsman is a fit and proper person to be re-appointed, why are we looking at re-appointing him only for a 1 year period? There is no answer to that. We really haven't been told, and I was really hoping that my friend, the Leader of Government Business, would've come here to say, "You know this guy is the right guy because, in addition to putting in the proper reports that he is supposed to put in, this is what he has done. You know he has been able to resolve all these issues. He is out there in the media. People know that the Ombudsman is there for them. And none of that is being presented to us. I am really hoping that the Leader of Government Business can assist us with that, Mr. President, because unfortunately there is a perception on my side of the Senate that we can see very little other than the paper reports that have been put in by the Ombudsman. And certainly there is no indications to me that the Ombudsman is making use, not only of his powers and responsibilities but that he is someone out there in the community inspiring confidence, making people know that if you have a problem you can come to the Ombudsman, that kind of thing, Mr. President. It is no longer sufficient for us to appoint people to their responsibilities and duties, be asked to re-appoint these people, and we have absolutely nothing to go on. Thank you, Mr. President. (Applauses)

SENATOR M. LIZARRAGA: Mr. President, I am not going to, if you allow me, speak to the person. I am going to speak to the Office of the Ombudsman. And, like Senator Shoman, one of the few comments I had was that that person should have security of tenure. Certainly this 1-year appointment does not give him, we believe, the total independence that this office deserves. And, two, I recall last year's budget session that the concerns from both the Ombudsman and the Contractor General where that their offices are very limited, Mr. President. So I would take this opportunity now that, if we are going to be appointing these people because they are doing such a good job, then let us give them the tools that they really need to do the PR, to do the media campaigns, so that people know what are the services that they offer and that they are able to deliver on what it is that the laws speak to in reference to their appointments and their office. So, Mr. President, I just thought I'd share those in addition to what Senator Shoman has said. We agree totally with the comments that she's said. Thank you.

SENATOR G. HULSE (Leader of Government Business and Minister of Natural Resources and Immigration): Mr. President, I thank my colleagues for the comments. But, as I recall, the reports of the Ombudsman have come to this Honourable House. He is current, as I understand, it with his reports, and there he details the work that he does on an annual basis. I also know that the first time the term "Ombudsman" hit our country there was a lot of discussion around it, where it came from. Our first was, I think, Mr. Paul Rodriguez, and then when Ms. Cynthia Pitts was appointed there were all sorts of talks about whether she should be called Ombudsman. But by that time Belizeans were familiar with the work of the Ombudsman, what he does, and that he is the person to call when you have a difficulty with your Government or any public authority, and he tries to mediate that situation.

And so I really think that, because it is a re-appointment and there's been no adverse criticism, or comments, or discussion with respect to his performance, had those been tabled or had we heard some consistent reports that he is

inefficient, incapable, etc., I think that the appointment for another year is in order. And I move the question.

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

3. Re-Appointment of Contractor General Motion, 2016.

SENATOR G. HULSE (Leader of Government Business and Minister of Natural Resources and Immigration): Mr. President, I move that:-

WHEREAS, section 3(2) of the Contractor-General Act, Chapter 6 of the Substantive Laws of Belize, Revised Edition 2011, provides that the Contractor-General shall be appointed by the Governor-General, acting on the recommendations of both Houses of the National Assembly contained in resolutions passed in that behalf;

AND WHEREAS, MR. GODWIN ARZU was appointed as Contractor-General for a period of three (3) years with effect from 1st January 2009, pursuant to a Resolution adopted by this House on 11th December 2008 and by the Senate on 16th December 2008;

AND WHEREAS, under section 5(1) of the Contractor-General Act, a person appointed as Contractor-General is eligible for re-appointment at the expiry of his initial term of office;

AND WHEREAS, MR. GODWIN ARZU was re-appointed as Contractor-General for a period of two (2) years with effect from 1st January 2012, which term expired on 31st December 2013, and was again re-appointed for a further period of two years with effect from 1st January 2014, which term expired on 31st December 2015; and on each occasion the re-appointment was pursuant to a Resolution adopted respectively by this House and the Senate;

AND WHEREAS, MR. GODWIN ARZU continues to possess the relevant qualifications and fulfils the requirements for appointment to the office of Contractor-General, as contained in the Contractor-General Act;

NOW, THEREFORE, BE IT RESOLVED that this Honourable House, being satisfied that MR. GODWIN ARZU is a fit and proper person to be re-appointed as Contractor-General, recommends to the Governor-General that MR. GODWIN ARZU be re-appointed as Contractor-General for a further period of two (2) years with effect from 1st January 2016, on his immediately pre-existing terms and conditions.

SENATOR M. LIZARRAGA: Thank you, Mr. President. Mr. President, I distinctly recall that the Contractor General was crying for two more people to be appointed to his office because, while this office has so much responsibilities, I don't want to misspeak, but I believe he only has two people helping him, I could be wrong, but certainly he was calling for more staff. We believe that this post is an extremely critical post. We see a lot of contracts that are being issued. We see a lot of works that are being done. A lot of those works to us are substandard. A lot of those works to us we don't know if we are getting value for money, if we are getting what it is that should be delivered. I still question, again, the completion of the highway.

But I'd like to say that certainly we would like to see this office more active, and we would like to see and make a call at this time for these offices to be better funded. And I take this opportunity because I know we are beginning to get closer to budget time. So, again, Mr. President, and Mr. Leader of Government Business, please let's recall the debates last year and the request from these two offices and keep those in mind when we are working on the budget that should be presented sometime soon. Thanks.

SENATOR A. SYLVESTRE JR.: Thank you, Mr. President. Mr. President, as well I would like to extend my congratulations and well wishes to Senator Elena Smith. Welcome, and I know you will make this Chamber as exciting and spirited as you have in your previous life.

Mr. President, very quickly, nobody disputes that Mr. Godwin Arzu is a person of integrity and that he is a fit and proper person. As Senator Lizarraga has identified, the crux really is, what is the purpose of having a Contractor General? And very quickly, when we look at the Contractor General Act, we are told that his function primarily is to monitor the awards and the implementation of public contracts with a view to ensuring that such contracts are awarded impartially and on merit. He is to also ensure that the circumstances of the contract are such that impropriety and fraud, mismanagement, corruption, waste, abuse all, these things are not taking place.

And, Mr. President, we just hasten to point out that there has been over the last couple of years the awarding of several contracts for the construction of roads and other facilities. And I'll be guided by Senator Hulse's guidance. I am not quite sure if the Contractor General has been able to catch up with the works that have been taking place. We have and my recollection, I think, is that over \$150 million may have been spent. And there has been no report to this Honourable Chamber as it relates to whether these contracts were awarded impartially, whether they were awarded on merit, whether no fraud or corruption or mismanagement or waste, in fact, took place in respect to the implementation of these public contracts for works. And that has to be said in light of what Senator Lizarraga also pointed out that there is a general perception that the Government and the people

of Belize have not gotten value for money. Again, and so in that regard we on this side express our concern that there is just this Motion to appoint Mr. Arzu without us being given any backdrop as it relates to the last couple of years when he was Contractor General and whether he has put forward the reports in respect to the public contracts awarded over the last couple of years. Those are my very brief comments, Mr. President. Thank you.

SENATOR P. ANDREWS: Mr. President, good morning, I have spoken over and over in here, particularly about the contracts that have been given out to the same contractors in many circumstances. But I've also in our last meeting requested that there be some sort of evaluation to the different contractors because it's no secret that across this country we've seen inferior work by these contractors. We've seen streets paved in one month and a month later have pothole and have to be filled up, particularly here in Belmopan. We've seen cement roads been poured and 3 months to 6 months later you see the rebar. You drive and you see the rebar surfacing. And these are issues, Mr. President, because the majority of these funds are borrowed funds as I've always mentioned. And the Contractor General in no way has come to us or given us any satisfaction. We know we are not getting value for our money, but at least let us find out the contractors that are giving us inferior works so that we can get value for money because all Belizeans welcome cement streets and pavements and all of that, and we welcome that. But we have an obligation in this House to make sure to the best of our ability that when we spend the people's money that we get value for that.

Here in Belmopan, I think, it was the former Mayor, who was a UDP Mayor, who mentioned publicly that all the contracts that were given out to Belmopan was given out to a restaurant owner from Wingstop here in Belmopan, and that's public knowledge. It was somebody that we know had no experience in engineering, had no experience in contract work. So this has happened over and over.

And I think the point of what we are saying, Mr. President, is that we cannot just come and re-appoint these people back to a post if they have not shown us that they have carried out their job in a way that benefits the Belizean people. And I, for one, have many unanswered questions. I, for one, come here over and over and mention about these streets that we have spent millions of dollars that we'll have to pay back in the next 29 years that are already breaking up. And so we've come to the point where we hope that we would have some sort of an evaluation on these contracts, that we'll have some sort of a procedure to ensure that we are getting value for money and that the Belizean people are getting value for their money that they will have to pay, all these tremendous debts that we have incurred. Thank you, Mr. President.

SENATOR M. COY SR: Mr. President, I rise, first of all, to congratulate the new Senator, Ms. Elena Smith. Welcome! Of course, I want to echo back happy birthday to Senator Lisa Shoman. And, if it's not too late, I also want to say happy New Year to the entire nation and to all of us in this Chamber.

Mr. President, I rise to support the Re-Appointment of Contractor General Motion, 2016. Listening to the colleagues, the Senators, on the other side, Mr. President, we come to this Honourable House, to this Honourable Chamber, and we continue to talk about the values of money. We heard both Senator Andrews and Senator Sylvestre there talking about how this money needs to be valued, Mr. President. I think this present Government has absolutely all that transparency, Mr. President. It has all of those reports that we need, Mr. President. The value

that we are getting for these monies, Mr. President, is showing up there. Even the blind man that may not be able to see can hear and can see every single penny that we're spending up there to build those streets, Mr. President. If I was on that side, Mr. President, it would have been a shame for me to talk about this issue of not getting value for money. What did they do when they were in administration, Mr. President? There is absolutely nothing to show to the Belizean people.

Mr. President, I say this because I believe that the entire nation, from north, south, east and west of this beautiful country, our jewel, is enjoying this building of the nation that is happening right across the country. I had this experience, Mr. President, with some of those people who come from outside. Mr. President, when they reach those towns, do you know what they say? They are amazed to see how this Government is bringing development into the country, Mr. President. So, when they talk about not getting value for the streets we are building, yes, the streets are there, Mr. President. Everybody can see and witness that the street is there, Mr. President. They also talked about streets being built and three months later they are all broke up. It would have been a shame on me, Mr. President, to say what they said because not even a pebble was put on the street when they were in power, Mr. President.

SENATOR REV. A. ROCKE: Mr. President, I rise to support the re-appointment of the Contractor General. But I would say that, in relation to information about their performance, I believe that is the key. It helps us to make informed decisions. And I would ask that information relating to their performance be had so that we can make informed decisions. (Applauses)

SENATOR G. HULSE (Leader of Government Business and Minister of Natural Resources and Immigration): Thank you, Mr. President. Just some brief comments, Mr. President, it is my understanding that the Contractor General has requested, well, I know the Motion is finished, but the Ombudsman requested some staff and I understand that he got them, and the Contractor General has also requested, and it is budgeted for him, one being an executive secretary.

The other comment is with respect to the contracts that are awarded. It is also my clear understanding that all have gone to the Contractor General. There is a general comment that I will make, and it's a professional comment. With respect to all my colleagues who are attorneys, they practice that profession themselves. They stand up in the court and do their arguments, etc., for the most part. And their offices are staffed with people who are adept in legal work. With respect to the doctors, pretty much the same applies. You go and you see a medical practitioner who is highly trained and he diagnosed the problem and tries to prescribe some remedy. People like the dentists do the same thing. The eye specialists do the same thing.

But it is no secret that in this country there is an engineering-deficit, a serious engineering-deficit. And in many cases, more cases than not, I have lamented over and over, and perhaps it is because my formative years were with expatriate engineers and contractors, crown agents, etc., whereby one would see the works but from, as we used to say sometimes on the streets, from pally to pally. Early in the morning to late in the evening the engineer is present there watching every single step of the work, whether that is a building being

constructed, etc., or some street being paved. We have that deficit in Belize, and I guess it is a result of an expanding nation where there is a shortage. And more importantly that sort of link between the designer and the engineer and the handyman or the craftsman is pretty much absent. It is something we have to work on through our schools, through training, etc. I can tell you that there is an effort to do so with hopefully the formation of the Institute of Technical Excellence that we've been talking with the Koreans and the Indians. But, as far as the Contractor General is concerned, yes, I will exert him to ensure that his reports are timely and that they are circulated for basically all to see.

But I want to close by calling out on my colleagues in that engineering profession, in the various disciplines, that it is really the responsibility of all of us in that profession to ensure that the work is being done because it is our Belize. It doesn't matter which Government is in. You're right. Its loans that are borrowed. It is our Belize, and it has to be done. I have spent a lot of time stopping on the road, and much to the upset of many people, saying that is not correct or that is not correct, personally stopping by buildings being built to complain about the steel and how it is laid, etc. The response I get from many of my colleagues in that profession is, "You are taking bread out of our mouth. Those people are not paying for the advice." Those things are improper because really it is not only contracting to do it but it is ensuring that works are done properly. Mr. President, I move the question.

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

II BILLS FOR SECOND READING

1. Private Pensions Bill, 2015.

SENATOR G. HULSE (Leader of Government Business and Minister of Natural Resources and Immigration): Mr. President, I rise to move the second reading of a Bill for an Act to make provision for the registration of Private Pensions; the supervision of private pensions; to offer better protection to private pensioners and to provide for matters connected therewith and incidental thereto.

SENATOR L. SHOMAN: Thank you, Mr. President. Mr. President, the Private Pensions Bill in the Long Title states that it is to make provisions for the registration of private pensions, for the supervision of private pensions, and to offer better protection to private pensioners. Mr. President, that is the title, and yet, when you take a careful examination of this piece of legislation, it is not only confusing, it is in certain spots contradictory, and in others actually offers no protection to certain private pensioners. It is a piece of legislation that unfortunately leaves much to be desired, and I will take the opportunity to point out exactly what I mean by referring to the sections of the Act.

Mr. President, on page 9 we have section 3, which states that the Act applies to every pension plan established by an employer for persons employed in Belize or in respect of which an employer makes contributions except for the following plans: the National Assembly Plan; the Public Pension for public officers; School Teacher's Pension, Social Security Pensioners. And in some respect that is understandable because those pensions either have to do with Government or quasi-Government institutions, in the instance of Social Security Pensioners. But where it gets really interesting, Mr. President, is that this exempts from regulation because this is supposed to be a regulatory Act. This is supposed to be an Act that sets out a framework to better regulate all private pensions. But it would seem however, Mr. President, that there are some private pensions that for whatever reason have been exempted, and those include: Belize Electricity Limited; Belize Telemedia Limited; and Belize Water Services Limited.

Mr. President, it's interesting because the argument I have heard is that, "Oh, these fellows are big. They've been doing this for a long time. They know what they are doing". Anybody can make that claim, Mr. President. What has to happen is that, if we are going to make a regulation for some, we have to make a regulation for all. It needs to be fair across the board. You cannot, Mr. President, assure the worker at BEL, BTL, BWS that there is any supervisor who will be regulating those pension plans. And inherently, Mr. President, that has to be cause for concern. If I were a pensioner under anyone of those plans, I would want the comfort. Everything else being equal, I would want the comfort of knowing that my pension plan is regulated by law under the Private Pensions Act. And, when you start to see the very heavy requirements for regulation under this Act, you will realize that this particular Act is going to end up being less of a security blanket and more of a sheet that some people will be able to cover with and some people won't. And this is perhaps the first and most important criteria that needs to be looked at.

Mr. President, I want us also to focus on the fact that under 3(2) the supervisor has the power, the person who is appointed supervisor, and I will come to how that appointment occurs. "The Supervisor may exempt a pension plan from the application of the Act if the plan is registered in a jurisdiction other than Belize". So let's say, for argument sake, Creole Tire Company decides that it's going to set up a pension plan for its employees and it says, "No man, I don't like these regulations that you have here. Let me set it up in Nevis", for argument sake. Legitimately that employer, Creole Tire Company, can actually apply with good reason to the supervisor for an exemption on the basis solely that it is registered in a jurisdiction other than Belize acceptable to the supervisor. And, in the absence of having no other reason to object other than this set out in the law, there will be a legitimate expectation that you will receive that exemption, provided that all other things are equal. Why have this particular exemption? For instance, you may say there are banks that have that set up in other jurisdictions. Fine! But the requirements for regulation under this Act are not so onerous that you cannot make a pension plan that is payable in Belize. Two pensioners living in Belize, who have worked in Belize, contributed in Belize, why you can't have it regulated under this Act is not clear at all.

Then it goes on to state that you shall not administered, under 4, "A person shall not administer a pension plan for the benefit of employees, unless the plan has been registered by the Supervisor and a certificate has been issued". And yet there is the following section that says, "Notwithstanding subsection (1), the Supervisor may exempt a pension plan by regulation from the requirement to be registered under this Act", and it is a blanket statement. It doesn't say anything that includes words of limitation other than going towards subsection (1), and

subsection (1) is the general rule, and this one says that you don't worry about what one says, two says, "The Supervisor may exempt a pension plan by regulation from the requirement to be registered under this Act." Why? For what reason? For what justification? None is given. This is very blanket, and I want you to realize that it also runs contrary to section 3(2) and (3) of the previous one.

Now let's go to section 3(2) which says, "Other than if it is registered in another jurisdiction and the employer provides such undertakings", which is really meaningless. And then (3) says that you can exempt if you are established prior to the commencement date from the application of certain sections of the provisions or specify a transition period. That's really nothing at all. So, in addition to the blanket statement that you can exempt by regulation, there is, and trust me that words have meaning. Attorneys are going to go to court and argue to the deaf that the law is plain, that the language is plain, that you must give the Act its purpose. And so, therefore, if you say that the supervisor can exempt by regulation, then that is what it is going to be. That is what it is going to be. Who is it that the supervisor must consult? What criteria must the supervisor be satisfied before they make this exemption? Is it that they make this of their own judgement? Do they have to see anything? Do they have to put the proposed exemptions through any regulation? There is no, absolutely no words of limitation when it comes to that.

Then it goes on, Mr. President, and we look at section 6, on the following page, page 11 in your copies. It says, "A pension plan is not eligible for registration, unless it is administered by an administrator, which administration shall be". Here we have a classic legal chicken-and-egg situation. And trust me, although it may be an interesting philosophical conundrum, lawyers and courts hate interesting philosophical conundrum, particularly in legislations that are meant to be regulatory and supervisory because it means that somebody is going to be called to fall under this and must obey the letter of this. And, if you have a confusing situation where you can't register before you have an administrator but you can't administer without being regulated, that causes some problems. There is a sixty-day period, but it is really not clear, and really the language here needed to be a lot tighter and state that pension plans must be administered by administrators, which administrator shall include the following. When you look at the list, if you read plain English like I read plain English, it would seem to be that the administrator, bear with me, Senator Coy, it really is important, bear with me. (A),(b),(c),(d),(e), and (f), are they supposed to be all of them? Is it supposed to be one of the following? Let's go through it:" (a) the employer participating in the pension plan;" okay, "(b) the board of trustees composed of one or more representative of the employer or employers participating in the plan and one and more representatives of the members or former members of the plan;" okay, clear enough. Then it goes on to say in "(c) a board of trustees wholly consisting of members or former members of the pension plan". Is that a different board of trustees? Is it the same board of trustees? Then it goes on to say in "(d) an entity which by virtue of this Act or any other law, is vested with the responsibility for the administration of the pension plan; (e) a financial institution licensed in the prescribed manner as an administrator under this Act; (f) any person approved by the supervisor". You will see that there is an absence of either "ands" or "ors" in that section. And it makes it completely unsatisfactory to any citizen, to any administrator picking this up and trying to figure out who is it by law am I supposed to have on my board.

These are the kinds of things that are deeply unsatisfying. These are the kinds of things really, Mr. President, that we should have Parliamentary Counsel to come in here, to explain to us what is the scheme of this Act and what it is

they're looking for because believe you me this ends up costing us. When I say us, it ends us costing us, as a country, hours fighting this nonsense in court, using up court time, trying to get interpretations of something that is deeply unsatisfying. And I promise you that when this goes to court, and it will, some judge is going to say that this is one of the most poorly written laws I have ever seen and I don't understand how it passed through parliament, and it's going to come back on our plates. So I think we need to be very aware that words have meaning and that language is important when it comes to drafting these pieces of legislation.

Mr. President, I leave that section and I move on to section 21, which is on page 25. And there is a whole lot of other things here that really should be for the expertise of people who manage and who carry out pension schemes and pension plans. I'm really just pointing out the things that are most obvious to me. Mr. President, at section 21, it states that, "Every pension plan", and I will draw your attention here that it is really ambiguous when it says "every pension plan" because what it really means is "every registered pension plan", and maybe that should have been made abundantly clear. "Every Pension plan shall provide for the full vesting of accrued pension benefits in each of its members within a period that does not exceed 5 years after the commencement of membership". So right at the very beginning it's already saying that you only become vested in a period that doesn't exceed 5 years. It can be before, alright. And, again, that is something that I am not sure that that has either been discussed with the stakeholders or it's something that they agree with.

And then it goes on to say, "(2) Notwithstanding subsection 1, the accrued pension benefits, which is in existence on the commencement date, shall be fully vested on the date determined in accordance with the plan provisions or on the second anniversary of the commencement date, whichever is earlier". So, again, there is an element of ambiguity. And then there is a further section that says that you are fully vested upon reaching normal retirement age. What if there is a conflict with those three provisions. Which of the provisions applies? What you really want to say is whichever of these occurs the earliest that's where you would want to hang your hat on this. But it really isn't there.

When you turn over the page, you go to section 23, and it then states that "A former member of a pension plan with a fully vested pension benefit may elect to receive early retirement pension at the age specified by the pension plan, which shall be no earlier than age 50 and no later than age 55." Why are you putting these limitations in an Act, Mr. President? Surely this is something that should have gone to regulation so that it could be consulted with the relevant stakeholders and/or leave it up to them to be able to negotiate what it is that they want to do. There are some institutions even within our own Government that call for a retirement at an earlier age I have in mind the BDF where you have to leave at 45. Why can't it not be, it's no earlier than 50? Maybe there is good reason for an employer to say, "Look, we want to allow you to take early retirement. So we are not going to incentivize you." Maybe we want to move on. Maybe we want to do something different. So the fact that it is in here really locks in and limits employers in a way that I really don't see what it is necessary for.

Then, Mr. President, we go to all the way forward to the section on page 38, which is the winding up provisions which start on page 37. And it talks about

the administrators being able to wind up pension plans. Now the absurdity that I'm going to point to here is at (6), in which the supervisor may order the wind up of a pension plan and may do so at "(c) if an application for its registration is not granted, or if the registration is revoked." I can understand this section about being revoked. Why are you going to wind up a pension plan because under this law you're not supposed to have a pension plan unless it is registered? Yes, so what? Are you going to wind up something that is not existing? Or is this something that has been done before and now you're going to wind it up on the basis of what? Again, it is not spelt out, and I think we are putting ourselves in a situation where this will cause more litigation than not.

I move then, Mr. President, to the powers of the supervisor. And I think this is really where it gets very problematic, page 47. "For the purposes of this Act, there shall be a Supervisor of Pensions, who is appointed by the Minister and subject to the directions of the Minister, shall be responsible for the general administration of this Act and whose office shall be a public office." Fine, but understand that the Supervisor of Pensions is not an independent person. The Supervisor of Pensions is subject to the directions of the Minister. And, when you look in the interpretation section, which is at the beginning of the Act, that relevant Minister is found at page 6, and it means the Minister responsible for pensions. Not that we know who that person is for because I don't know if there is a portfolio allocation for that. So I suppose we will hear in due course who the master of the Supervisor of Pensions is going to be or the mistress, so to speak.

That person also is not only not independent but, under subsection 2, "The Supervisor shall be appointed for a term of office fixed by the Minister." So the Minister could decide that your appointment will only last one month, 6 months, one year, and there will be other than that no security of tenure. It does say that during the period of your appointment you can only be removed for misconduct, neglect, dereliction of duty or other just cause. It does not say how you are to be removed or what is the process.

Then it goes on, under (3) and says that, where it is permitted to be performed by the supervisor, that function may be performed by some other public officer or entity authorized in that behalf by the supervisor. So, there we have that. And it goes on to say that, "Neither the Minister nor the Supervisor nor anybody else acting under the authority of the Minister or the Supervisor shall be liable to any action, suit or proceeding for, or in respect of any act or matter done or omitted to be done in good faith in exercise or purported exercise of the functions conferred by or under this Act or any Regulations made thereunder". And let me tell you that that kind of fettering legislation is not going to stand in a court of law. If the supervisor or anyone acting under the supervisor's direction acts contrary to natural justice, acts in a manner that is Queensberry rules improper or otherwise violates any of the norms of natural justice, of fair procedure, that person is going to be subject to a rule of law without question, whether you did it in good faith or not. If you have, for instance, as in the recent case which has now concluded, so that I may comment on it, the recent case of the BTB regarding natural justice and the Department of the Environment, it really did not matter whether there was good faith or not good faith, as long as technically the wrong procedure was followed and/or certain steps were omitted, that body still came under the rule of law. And the court was able to say that the procedure was not followed properly, and a sanction was put in. So I just want us to understand that this kind of attempt at fettering legislation isn't going to stand before a court of law when you are asking for judicial review.

I also wish to point out to the Members of this Honourable Chamber that

at 56, “In accordance with regulations, there shall be paid to the Financial Secretary, by every pension plan registered under this Act, annual and any other fees prescribed and on the basis or rate indicated.” Again, this is so unfair because you are exempting big companies like BTL, BEL, BWS from having to deal with any of these things, and then you’re imposing fees, annual and any other fees prescribed on the basis and rate indicated. And it can be recovered as a civil debt. Section 59 straight up, is again a total repetition of what has gone before about liability. That really is already covered under 55(4). Again, it comes up saying that you’re not personal liable in damages for anything done or omitted to be done in the discharge or purported discharge. I suppose one could say that it has to do with personal liability but really that is something that could very easily have been fitted into the section before.

Then, Mr. President, the supervisor has the power to make certain orders and has the power below to make orders for corrections. Then it goes on to state that there are circumstances in which the supervisor can appoint someone who can be a corporation, partnership, association or other organization, who shall have powers and functions of the administrator in the following circumstances. And the circumstances are set out there below: bankruptcy; insolvency; winding up; where the administrator has resigned, has been dissolved; or where you consider that the funds are at risk from mismanagement or noncompliance, to safeguard the assets of the pension. All of these things are important things, and yet they don’t apply to the three biggest pension schemes in the country. I refer to BTL, BEL, and BWS. That isn’t there. And not only that but the supervisor has the power to pay the reasonable cause of the person that they appoint out of the pension fund. All of these things are important powers and should really apply across the board to all private pensions.

Mr. President, I also wish to point out to the attention of Members the powers of investigation under section 62, and for us to realize that those powers of investigations are very wide. But, again, we have to realize that, if they are not exercise properly and there is a problem, it’s going to end up unfortunately like the Titans Security’s issue. And so a lot of care has to be taken in whoever this supervisor is and that the supervisor has proper legal advice when they are carrying out their powers.

Then we go to Part II, Mr. President, and it states at section 64(1), “A person who contravenes a provision of this Act or the Regulations is guilty of an offence”. Well, now, which provision, a provision, any provision? Guilty of an offence and, if you’re convicted of that offence, and it seems as though the way it is worded, it doesn’t say you are liable on a conviction. At the top it says, if you’re guilty of the offence, it sounds to me as though that is strict liability and you have to then go and prove that you are not guilty. If you are guilty of an offence, and that may be an arguable point. I concede that. However, it states that if you are convicted of an offence under this Act, you’re liable on conviction by a court of summary jurisdiction to a fine not exceeding \$10,000 or to imprisonment not exceeding 12 months or both. And remember that it does not specify which of the sections in this Act you are contravening. It doesn’t specify it at all. It then goes on to say that on conviction on indictment, so that would mean that it would have to be under the Criminal Code. Correct, Senator? You are, and never mind that the criminal code has its own penalties. You are also liable to a fine not exceeding \$50,000 or imprisonment for a term not exceeding 5 years or both. These are very serious penalties, and yet it does not apply across the board.

And, if that was not enough, there is a whole other series of administrative penalties that are contained in section 65, in which after giving 14 days notice you

can impose an administrative penalty of \$5,000, where the supervisor is of the opinion and let me tell you that is a very light standard of proof where the Supervisor is of the opinion that (a), (b), (c), (d) and (e) have occurred. You do apparently have an appeal to court within 30 days but this is another whole set of penalties that are occurring here. And then in addition, if the company continues to commit an offence where the violation continues, you can be further fined \$10,000 and a penalty of \$1,000 for each day. And yet this doesn't apply across the board because there are exemptions being given to very important companies.

It then goes on at section 66, to give the Minister some of the widest ranging powers I have ever seen, including stating that the Minister may, after consulting with the supervisor make regulations for the following things, okay: "(a) administration of pensions plans, funds and benefits, fine; (b) prescribing the method of calculating the actuarial equivalent of a pension." Okay, all of those are technical details; "(c) prescribing the methods of calculating the assets and liabilities of pension funds and the carrying out of period actuarial valuations." I don't have an issue with the second part. It's the first part because it seems to me that that is eminently the job of an actuary to carry out, and once you are carrying out professional standards that should be enough. I don't see why the Minister should have the right to make those regulations. But it's the one at (e) that draws my attention perhaps the most: "(e) regulating the investment of money from pension funds and prescribing the investments or categories of investment in which such money may be invested and the provision of investment options to members." I don't have an issue with regulating the investment to say that it must be this or that or the other. But how do you end up as a regulator prescribing the investments? I could understand that you prescribe the categories but you are actually going to give the Minister the power to prescribe investments for pension funds, certainly very interesting.

Also, when you turn the page over, it gives the Minister the power to prescribe rates of interest and the method of calculating interest payable or reference. I don't have an issue with saying that you are going to regulate the method. That's something that is empirical, and I have no issues. Why are you going to be as a regulator or as a supervisor prescribing rates of interest? I want us to also note (m) that the Minister prescribes fees payable to the supervisor, okay, fine; "(h) prescribing the requirements for financial institution pension plans and draw down accounts; (p) prescribing rules in respect of the payment of pension plan administration and investment expenses and the disclosure;" okay, fine, all of that. But look at "(q) exempting pension plans, pension funds, employees, administrators or other persons from the application of this Act or the regulations or from any section of this Act or the regulations". Explain to me why we are passing a law if we are giving the Minister this kind of discretion? And how do we ever guarantee that this is not going to be subject to political manipulation? It doesn't matter by which Government.

So, you know, spare me the speech about what happened 8 years ago because that is then. What we are dealing with is what is happening here and now. We are the legislators being asked to pass legislation. We are the ones who are being asked to give the Minister this kind of wide ranging power to be able to exempt, not only pension plans but pension funds, employees, administrators or other persons from the application of this Act or the regulations, or from any section of this Act or the regulations. And if I am not mistaken, and I am very subject to being corrected, this includes large pension plans that have to register

under this anyway, people like the Social Security Board employees, the Central Bank, I don't know but the banks who already have pension plans and schemes, and any other large employers that run these kinds of schemes. It doesn't seem to make any sense for us to be able to pass legislation that then allows the Minister to exempt the very people who we are looking to regulate, and it does not say on what basis the Minister makes those exemptions.

I want to draw your attention to something I missed earlier on but I want to go back to, just to show you the kind of gaps that are in this law. If you go to section 34, which is found at page 32, one would think that one of the most important things here when you are talking about safeguarding is to make sure that pension plans are investing in a manner that is prudent, safe and follows certain guidelines. All this says is that, at section 34, "Every person engaged in selecting an investment to be made with the assets of a pension fund shall be selected in accordance with the criteria set out in this Act and prescribed by regulation." I looked you know, I didn't see no such criteria. If anybody can help me with the identification of where this criteria is in this Act, I would be very grateful.

And, of course, then even more confusingly it goes on to say that it doesn't apply to an individual who is provided investment options by the pension plan. So, yes, I mean it's then on you as an individual if you are provided options. So any pension plan can wiggle out of this by saying, "Well, here are the five or six things, you know. We don't have to select those by any particular criteria. But you pick one of them, and, if you pick one of them, well, it's not on me, it's on you, you are the one who has chosen an unwise investment, that's your problem." And it says that you shall adopt a statement of investment policy, and it shall include the information prescribed by regulation. Of course, that regulation has not yet been made, and it shall be filed with the supervisor. Now I am going to love watching the 6 or 7 or 8 years that it's going to take to do regulation. I hope it's more.

But, for instance, I'd like to remind us that we passed Sexual Harassment Act eons ago. There are absolutely no regulations under that Act. And so we continue to limp on with legislation. I have said it before, and I will say it again. When we get these kinds of things, we should be getting access to the Cabinet paper that is written to justify it, and we should have a look at least at the regulations that are going because anything other than that ends up being on our part a lack of information which any properly prepared legislator should have.

So, Mr. President, there are issues with this. There are serious issues with this. It is written in a manner that is to say it the least, very confusing, and I really wish that time had been taken, I really wish that we had Parliamentary Counsel to be able to explain some of the concerns that we have here. But that is the kind of thing, Mr. President, that, as legislators, people are looking to us to be able to explain what is happening. Thank you, Mr. President. (Applauses)

SENATOR M. LIZARRAGA: Mr. President, thanks. Senator Shoman, I would like to thank you profusely for your quite detailed, breakdown of what I was going to attempt in non-legal language. Mr. President, I support tremendously almost everything that Senator Shoman has said. In my limited experience in dealing with trust, Senator, you know, you and I sat on the pension trust for the Social Security Board for many years. I know it can be very complicated, and I know a lot of the things that this piece of legislation purports to dictate can, in fact, only be calculated with the advice of an actuary. And when one knows what has been, in fact, agreed upon from management and staff because a lot of the

numbers you're talking about are numbers that are agreed or negotiated. So it's going to be different from one company to the next.

Interest rates, just to reemphasize one of the points that Senator Shoman raised, how can you prescribe in advance interest rates that are going to be paid when you don't know what the yield on the investments are going to be and those yields change every year? So this would have to be changed on a yearly basis.

Mr. President, I totally agree, and in reading this, and I sat, how long did we sit on that committee? It was almost five years. So I am not naïve to a lot of the language in here. But this piece of legislation was extremely confusing, left more questions than answers. And I really, I don't know, Mr. President, if this has gone to committee and the public has been invited to have input. But I suggest strongly, after listening to Senator Shoman's brief on this in more legal and precise language than I could use, certainly that this piece of legislation goes back to committee and that it gets serious input from a lot of people that are involved in it already and to have an opportunity to question, as I am questioning, the difficulty of complying and the difficulty of comprehending how you can legislate and dictate the performance for certain sections of that pension fund when they are undeterminable. I mean, you really don't know, okay. So I suggest we send this thing back to the drafters, and we invite members of the public to have an input. Thank you, Mr. President.

SENATOR E. SMITH: Good morning, first of all, thank you for your warm welcome to this Chamber, and, like the Senator Sylvestre said earlier, I plan to come with my usual fire. With regards to the Private Pensions Act, I too support Senator Shoman in many of her comments that she made. And, as the Senator representing unions and Civil Society, we feel that there are many discrepancies in this Act. Some ambiguous terms are in there as well, and there is lots of room for clarification and for improvement. And, as the Senator said, we have served on the Social Security Board of Trustees for the employees' pension, and I can recall that their vesting period was up to seven years. This is telling me 5 years. That's just one example. Also, with regards to the years, we are saying here, I think, it's 55. Theirs has between 55 and 60. So there are some differences in what already exists and what we are proposing.

Now, when we look at the other companies who are not going to be affected or who are not going to be a part of this, it seems that they will be grandfathered in. And so we asked them, well, why doesn't that apply to the other companies? And so we also want to look at the terms that are being imposed on these schemes. Having said that then and having agreed with what the Senator said earlier, I also believe that we need some more time to thoroughly go through this Act before we can say we accept and we agree. There are too many things that need to be clarified. People who will be affected have not had the chance to really see what is contained in this Act. And we need to get their input because whatever goes here will affect them. And so at this time we too are asking that this be put on hold, that consultations be held, and that we try to clean up what we have here that needs to be cleaned up. Thank you. (Applauses)

SENATOR REV. ASHLEY ROCKE: Mr. President, we too have had a chance to look at the legislation, this document that is written for pension plan for private entities. And we feel that in principle it is a very good thing that the Government would put some kind of policy in place for a business not regulated

by the Government. We feel that there are a lot of people who are working in an environment where they're not regulated and there is no pension. But we also feel that there are some things that have to be included, for instance, the involvement of the employees as it relates to the establishment of the pension plan. The law says that you cannot take money out of people's salary without them agreeing. So there has to be some level of agreement. And the union activist in me also would like to see the involvement of employees in a pension scheme that is related to them. But we feel that in principle it is right to establish a pension plan for private groups. Thank you.

SENATOR A. SALAZAR: Mr. President, I rise to support the Bill. Honestly, hearing my colleague, Senator Shoman, I was wondering if we read the same Bill because what I can say is that this is really for employees. It is not proposed as an Act to benefit employers. The provisions in here are all geared towards protecting employee's interest. And, looking at it, I really can't understand how you can arrive at a different conclusion. The reason why I say that, and I think it is an excellent Bill. The reason why I say that is because, and this is something which I have worked with in the past with drafting languages for plans and so on, since I am in private practice and work with large employers. Largely in the past, these retirement schemes which exist now have basically come about as incentives to employees. They are aimed at attracting employees, one. And also they're aimed at assisting employees, looking after their retirement, and to this date this has been totally unregulated in Belize. There is absolutely no regulation of private pension, private retirement schemes in Belize, none. So this has been going on and is being carried on under what I would term as gentleman's agreements among employers and employees.

And, if we look at the provisions in the legislation, as I have said, this seeks to empower employees. It brings order to a sector within which there was previously no order. If we look at the provisions, what does it provide for? It provides for submission of reports to the supervisor on a periodic basis. It mandates for the provision of annual financial statements. In cases where there are investments being made, it mandates for actuarial reports. It requires the provision of audited reports by qualified person. It imposes obligations on employers where there were previously none. It makes pension documents and pension information, retirement scheme information available to employees where previously these may not have been available or made rarely available to the employee. It sets out rules for making contributions to the fund. It also provides for the supervisor or requires the monitoring of contributions being made to the fund on periodic terms. And finally it creates offences where previously there weren't any offences and here was no regulation.

So I really find it difficult to see how we could say that this is not a good piece of legislation. And I want to stick to the team that in my view this is to benefit employees, totally. I've heard it being categorized as confusing, contradictory and offering no protection. I must disagree with this wholeheartedly.

SENATOR L. SHOMAN: On a point of clarification, I never said it offered no protection.

SENATOR A. SALAZAR: This is what I heard. But in any event, let's look at some of the sections that were brought up into the light by Senator Shoman. The comment about Creole Tire Company really eluded me because in reality that is really taking the law to an absurdity. I think what that section is doing is that that section is really aimed at transnational corporations or transnational companies that have schemes that already exist for their employees.

I don't see how a supervisor would be able to be duped into a Belizean company registering, in the example given, registering a scheme abroad simply for the purpose of evading registration in Belize. Honestly I really feel that that is taking the law to an absurd result. The purpose and intent of that subsection is to make provisions for transnational corporations with employees in Belize such as we've seen in cases of banks, you have airlines, you have different categories of employees that work for transnationals who would prefer to have their scheme as they operate abroad. So in my view it has to be an existing pension plan. The supervisor is not going to be duped into having a pension plan registered abroad for the simple purpose of evading the law here.

Subsection (3) was also brought into question, where it says, "The Supervisor may exempt a pension plan established prior to the commencement date from the application of certain provisions of this Act or specify a transition period". I think the intent of that subsection is very clear as well. As I have said, there are many retirement schemes, pension schemes that exist now that were previously operated on an agreement between employers and employees. So, if we would look at the provisions that relate to the registration of a pension plan and what are the requirements for these plans, if we look at those sections, we can see that they're quite exhausted requirements for registration and what must be covered by a plan that is seeking registration. In reality, I can say that I am aware of provisions of a couple plans. Not all plans that now exist are going to be able to meet those requirements. But this is the benchmark that is being set for the registration from the date of the passage of this legislation. That is not to say that, if existing plans cannot meet this criteria, or it will be too difficult or it would be onerous on employees themselves for that plan to meet this criteria, that the supervisor would not see it fit to exempt certain provisions. So I feel that this subsection is not something that is aimed at trying to take away from anybody. It is aimed at trying to accommodate those good plans that exist now and that may need some wiggled room to fit into the regulatory scheme. So I really don't think that this is all doom and gloom. I feel that that is the intention of this. And honestly, if we don't have these provisions, then we might create problems for those plans that have been in existence for 15, 20, 10, 25 years. So I don't see any issue with that subsection.

Next section that I want to raise is section 21, which was brought to light by Senator Shoman and also Senator Smith, I believe. It says, "Every pension plan shall provide for the full vesting of accrued pension benefits in each of its members within a period which does not exceed 5 years after the commencement of membership". Mr. President, you know that this, and I should say this section is to benefit employees. I was very surprised to hear that complaint was being made that right now it is 7 years but this is making it 5 years. If we understand the section, what it is saying is that, regardless of what your plan says now, the employee is going to be vested by law after 5 years. So that means now, if you are a part of a plan which vests you after 10 years, your pension rule, you work for Creole Tire Company right now, your plan says after 10 years you are fully vested. What this is doing is saying, no, no, after 5 years you are fully vested. So you are benefiting as an employee. The law is benefiting you. I did not interrupt you, Senator Shoman.

MR. PRESIDENT: Senator Shoman, please let Senator Salazar continue.

SENATOR A. SALAZAR: So I wanted to make this very clear because it is easy to put out things and to say we are changing things. But, for the record, I want it to reflect that this is benefiting employees. And I don't see that there is any ambiguity in the succeeding subsections. Succeeding subsection says, and there is a section which says that you're vested on your retirement date. That's clear to me. If you don't have 5 years but it's your retirement date, you're vested despite what your plans say and despite what the other subsection says. On winding up of the plan you're vested. I really don't understand the ambiguity that is there. It says, that after 5 years you become fully vested. If I am working at Creole Tire Company and I'm 51 my and retirement age is at 55, at 55 when I retire I am going to be vested, despite the other provision that says it should be 5 years. That is benefiting me as an employee.

SENATOR G. HULSE (Leader of Government Business and Minister of Natural Resources and Immigration): Mr. President, in accordance with Standing Order 10 (8), I move that the proceedings on the order paper may be entered upon and proceeded with at this day's sitting at any hour though opposed.

MR. PRESIDENT: 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.

Senator Salazar, please continue.

SENATOR A. SALAZAR: Much obliged, Mr. President. So, Mr. President, I was referring to section 23 which was brought into question. Sorry, I had not mentioned section 23. I now move to section 23, which speaks about the actual retirement age and specifies the ages. Well, this is in keeping with exactly what I've been saying. It is bringing order to a sector within which there was previously no order and creating standards for the benefit of employees.

Therefore, Mr. President, I won't belabor the point and go through every single aspect which was raised. My intention is simply to show that, despite the fact that, and I don't want to call it nitpicking, but despite the fact that these things have been raised, what I am attempting to demonstrate and what I would want Belizeans to know is that, despite what has been said, this Act or this Bill is something which is for the benefit of employees on a whole. And I think that, having said that, I have no other option but to support it.

SENATOR S. DUNCAN: Mr. President, I only want to comment on two points to try to broaden the thinking around those points. I think in particular what was mentioned about section 66, where the regulations are allowed as it relates to interest rate, and the comment that it is probably too prescriptive. Firstly, the law makes allowance for regulations where it says that regulations may be made, and it is not necessarily conceived that a regulation will be made for everything. However, if you are to read the section on the interest rate, prescription need not be an absolute figure. I need not prescribe that 5% or 3% or 10% is paid on a fund. But it is very possible for me to prescribe by saying that the rate to be paid to the member ought to be a specific proportion of the income from that fund, and

that is still prescriptive. And it's totally appropriate because you would not want to see a situation where a fund generates income of \$10,000 and probably only \$2,000 is passed to the members of the fund and the next \$8,000 is dealt with paying bills and other costs of running the fund. So I think what the law is trying to ensure is that the members of that plan benefit from the interest income from that plan. So it needs not to be specified or prescribed as an absolute number. That is one.

I also want to comment in terms of the investments. It describes, or it says that it will set out the provisions, what it may be invested in and the provision of the investment. I interpret this to mean that the law will try to protect pensioners and members of a pension plan in the sense that they will not allow for the administrator of a plan to invest those monies in just anything. You will want, for instance, that a certain portion of the plan to be invested in liquid assets, whether Treasury Bills, whether bank certificate of deposits, etc., as compared to taking all my money that I put in my pension plan and go buy real estate with it. So from that context, again, that could be prescribed without stipulating that it has to be the real estate owned by a particular individual. But it is just to say, "Listen, we would like 40% of a plan to be in liquid assets and you can do the next 60% in non-liquid assets," that type of things. So I just wanted to broaden the conversation around that to show that it can be prescriptive but still sufficiently flexible for the administrators of the plan to get the best benefit for the plan. Thank you, Mr. President.

SENATOR P. ANDREWS: Mr. President, I only have a few comments and only to repeat because I feel like it's my obligation to say what our lead Senator has already mentioned about section 66 as it relates to the regulation that is given to the Minister. And, as it relates to ministerial discretion and this total power that is given to the Minister, I think the Leader for Government Business would well know how the Ministry of Immigration and the discretion that is given there has hurt this country terribly. And so for us in the 21st Century, the year 2016, to come to this House and put up this farce or to pretend that we are naïve, that we live in a country where our Ministers have always judge or make decisions in the best interest of all Belizeans, it would be naïve. And, when we come here in the 21st Century and give such power to a Minister, as mentioned in section 66(q) where we're giving the power to exempting pension plans, pension funds, employees, administrators or other persons from the application of this Act or the regulations or from any section of this Act or the regulations, Mr. President, that is not only disturbing but it makes you wonder the intent or you start judging people's intentions. Why would we give such power?

Again, I am only repeating what our Senator just said because, I think it is important that the Belizean people understand that here we are giving ministerial discretion for somebody to undo everything that is written in here, in a culture where we have seen tremendous abuse by our Ministers, whether it is in the Lands Department where ministerial discretion is used to override people's property. We know what is happening in the news right now with the Cave Branch's property that went to court and all of that. Again, it is ministerial discretion where there is abuse over and over.

And so I only hope to bring to the forefront that section 66, I hope, in a democratic society, that we are not seeking to empower ministerial discretion that we know in our culture and in our political history has not been fair across the

board to the Belizean people. I hope and I'm in agreement with the leaders for the unions and for the business and also with this side that this Bill here be taken back and be looked at closely, Mr. President, and that it be opened up for consultation and for amendments to be made to it because we owe this to the Belizean people to make sure that we are passing Bills that are in the best interest of all Belizean people. Thank you, Mr. President.

SENATOR G. HULSE (Leader of Government Business and Minister of Natural Resources and Immigration): Thank you, Mr. President. Mr. President, I listened to the comments that my colleague, Senator Salazar, made, and he responded to some of them and also Senator Duncan. There are three things I want to highlight. The response to the comments made by Senator Andrews, section 66 does not give the Minister some sort of uncontrolled discretion to do as he would please. And I really don't know what he refers to when he says powers given to the Ministers of Immigration and/or Lands to do various things. Section 66 gives the power to the Minister to make regulations. Regulation is a subsidiary law, is a statutory instrument. All subsidiary laws are part of a process. It's not arbitrary. He does so after consultation with the supervisor. Some of those subsidiary laws are all, for the most part, brought to the National Assembly for either positive or negative resolution. And so those that require positive resolution the National Assembly has to approve and those that require negative resolution are laid on the Table from time to time. So I don't know that that is some sort of uncontrolled power that the Minister may be able to waive some arbitrary discretion.

The second point I wanted to highlight is section 55, where I think it was said, and I agree, that in the interest of natural justice or Queensberry rules or fair procedure, that any institution and everybody in can be summoned to court. That happens. I was in my younger years in this parliament, strictly under the impression that nobody from this House could be summoned to court for things done or said in particular with relations to the Social Security investigations that I undertook, only to find out that I was there three times. But I think what it says is that it shall not be liable, not exempt, but liability should not be placed on the shoulders of the persons involved. And, in the case that the good Senator mentioned which has been recently concluded, I think that case was one between three, a claimant and two defendants, which was the Belize Tourism Industry Association. The first defendant was the National Environmental Appraisal Committee. The second was the Department of Environment, and the third was Belize Island Holdings Limited. Clearly the Chief Environmental Officer, Mr. Martin Alegria, was summoned. But the liability, the \$50,000, I think, does not rest on him.

The third point I want to clarify, this was raised by Senator Lizarraga, is that, indeed, this Bill went to Committee, man. It went to Committee on the 14 of December, the House Committee. The Members of that Committee are 7 from the House of Representatives. Unfortunately, at that meeting the two representatives from the Opposition did not attend. The Committee met. Present were Mr. Albert Edwards, Deputy Solicitor General, Legislative Drafting, and Ms. Madri Ramdass, Legal Officer in the Solicitor General's Office. Ms. Alma Gomez, Supervisor of Insurance, and Ms. Shirley Middleton, Sr. Financial Analyst, Office of Supervisor of Insurance, Ministry of Finance, were also present. The point is that those committee meetings are where a lot of these detailed issues are ventilated so that a report can be submitted back to the House in the first instance for consideration. Amendments can be made, etc. Then that goes through its debate, and when it comes to us that process should have been concluded. I think that there is a responsibility on the part of Members, and we are not here, and I

certainly will not attempt to dictate to Members to attend these things. But, to say that there was no committee meeting, I wanted to just clarify that, in fact, it did happen. And I'm sure the Clerk will say, well, he will not say in response, but the Honourable Senator is saying he didn't know. These things are published so that the public is aware that there will be a Committee meeting. I am sure that Mr. Clerk, they're published to inform that there will be a Committee hearing on such a date, etc., etc., so that people can write in, people can attend in person, and, of course, the Committee Members deliberate. Having said that, Mr. President, I move the question.

MR. PRESIDENT: Honourable Members, the question is that the Bill for an Act to make provision for the registration of Private Pensions; the supervision of private pensions; to offer better protection to private pensioners and to provide for matters connected therewith and 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. Treasury Bills (Amendment) Bill, 2015.

SENATOR G. HULSE (Leader of Government Business and Minister of Natural Resources and Immigration): Mr. President, I rise to move the second reading of a Bill for an Act to amend the Treasury Bills Act, Chapter 83 of the Substantive Laws of Belize, Revised Edition 2011, to raise the limit of principal sums represented by Treasury Bills and Treasury Notes outstanding at any one time; and to provide for matters connected therewith or incidental thereto.

SENATOR M. LIZARRAGA: Mr. President, with your permission, I'll refer to my notes. Mr. President, this amendment today to this Treasury Act is, in fact, permission to allow the Government to increase or actually to double its domestic borrowing capacity. If we go to the proposed Act, the Bill, it says that the Government seeks to, for Treasury Bills, up its limit from \$200 million to \$400 million, doubling its capacity to borrow. And, if we look at section 2(b), it says that they're seeking for Treasury Notes to go from \$225 million to \$450 million, seeking to borrow an additional \$225 million. All told, this Bill before us today seeks to give the Government of the day permission to borrow an additional \$425 million in new borrowing. I'll repeat it, \$425 million, and yet I don't recall seeing any document, hearing of any reason why we need an additional \$425 million, to give Government capacity to double its domestic borrowing. This, Mr. President, is certainly of grave concern to the business community. We have made strong cases, and we make a strong case again today, in reference to the Government's debt profile. We need to begin examining the implications of this and any other borrowing, and we continue to call for such. We are concerned because the most probable effect from Government sucking up a major portion of the excess liquidity in the system today will be that interest rates and the cost of local borrowing will increase. It is more than likely that this will have an effect of raising interest rates to the private sector, who is desperately in need of cheaper funds, not more expensive funds. Such domestic borrowing can as well be a drain on our foreign reserve, again, crowding out our private sector. Without the creation or without this money actually being used for the creation of real wealth, Mr. President, this sustained borrowing can as well have inflationary effects.

Mr. President, we take this opportunity to call, again, on the Leader of

Government Business and the Ministry of Finance to provide the Senate, please, with a complete profile of GOB's debt and its capacity, its where withal, for the repayment of the huge and burdensome and unprecedented debt explosion in Belize. This listing should, we ask, include all contingent liabilities, including especially the huge liabilities from the Ministry of Lands for all their outstanding issues that we saw in the cost saving report, all illegal issues and other issues. Mr. President, we believe that if Government accounts were to be compiled on an accrual basis we would be bankrupt, we'll be shown to be bankrupt. The lack of confidence, Government's fiscal realities and the high cost of money in Belize, is perhaps why the private sector has displayed very little interest in borrowing the excess liquidity that is in the system in the first place. And this new borrowing by GOB does nothing to address any of the confidence building issues needed by the Belizean private sector to take risk, to borrow, to invest, and grow the economy, providing the jobs and real growth needed in Belize today.

Borrowing always has tax implications, and the tax burden to the Belizean businessman is already way too high. This continued borrowing does nothing to relieve us of that burden. In fact, our debt trajectory does forecast, if we are honest with ourselves, that we stand a snowballed chance in Belize of ever seeing our taxes go down in our lifetime, and more than likely we will continue to see an increase in our taxes in the very near future similar to the recent tax hike on fuel.

Belize's development model is not working. Major deficiencies still exist in reference to poverty, crime, housing, healthcare, infrastructure, the maintenance of public assets and most of all an overall lack of empathy for the increasingly harsh realities of the Belizean investor and lack of opportunities that exist for our young Belizean entrepreneurs. But we continue to borrow. We cannot surely continue to believe that Government can borrow and spend us into development and prosperity. This model has not and will never work. Government's borrowing is just by swearing nature loaded with corruption, inefficiency and waste. What is desperately needed in Belize, Mr. President, is a more transparent and efficient system for scrutinizing the investing and spending and borrowing of public monies, none of which contained in this Bill before us today. Until this is done, our country will never arrive at its true potential. What we can expect, if we continue on this present debt path, is that our country will continue to move many more citizens towards poverty and the wealth will continue to move to the favored few.

Mr. President, Mr. Leader of Government Business, we urge that the time is long gone where we need to know how much we owe, how we are going to pay it back. We saw already, before even the budget exercise, that Government has run into problems and needed to take advantage of taxing fuel when those savings could have gone into our economy to stimulate private sector, stimulate our economy. Government decided it needed to capture more revenue because its flow from Venezuela has gone down, its flow from the oil fields in Never Delay has gone down. We cannot continue on this path. We've been living on borrowed money.

Today, again, we seek to approve the additional borrowing of some \$425 million. What are we going to do with that money? I don't know. The Bill doesn't say. Are we going to be building schools and roads? Are we going to pay Lord Ashcroft? What will we be using this money for? Nowhere does it say. We have to come clean, Mr. President. The time has come for us to come to grasp that we have to start living within our means and that we have to start showing our Belizean people clearly and not just say, "See it there. You can't see it there". Now we want to see the details. Thank you, Mr. President.

SENATOR L. SHOMAN: Thank you, Mr. President. Mr. President, I rise to make my comments on the Act to amend the Treasury Bills, Chapter 83 of the Laws of Belize. And you know, Mr. President, one of the little skills that you learn as an attorney is how to read a Bill. And if you look on page 3 you will see that this particular Act has been amended three times. And so we had Act No. 33 of 2002, Act No. 2 of 2006, and Act No. 8 of 2010. So, I was asked actually by someone to say, when did the change go up to \$225 million? What did it used to be? And, you know, what have been the changes? And I went and did the research. I also found a very useful publication online from the Central Bank of Belize, written by, I believe, two Belizeans, discussing the entire issue of Treasury Bills and how that was done. So the information is verified there.

Since we like history or some of us like history, it needs to be said that the threshold for Treasury Bills was relatively low even up to 2006. I believe that the history of it is that it went from some 40 million to 60 million and then from 60 million in 2006 to 75 million and I see my colleague, Senator Barnett shaking her head, agreeing with me. So I'm comforted that we are on the right tract.

And then came 2010, and on the 11th of March 2010, Mr. President, and, with your permission, I will read from what I have here. On the 11th of March 2010, there was actually in this very Honourable Chamber a dramatic increase that was made in order to cover at that time a gap in the 2010/2011 budget. And, on the 11th of March 2010, no less a personage than Mark Espat who has been the Deputy Leader of the Opposition, and was in March 2010, when he said what he had to say, and I will read it in a minute, and who is now a financial advisor to the Government of Belize, had this to say because in 2010 there was an unprecedented increase from \$60 million in T Bills that the Government could issue to a whopping \$225 million which is what it is today and which we are proposing to change. And at the time Mark Espat had this to say, and I quote, with your permission, Mr. President "What the Government is doing is making a naked, dramatic increase in the amount of money that the Government can borrow from local sources. It is doing this in the form of Treasury Bills and Treasury Notes. It is increasing by \$100 million", actually it was more than that, "the amount that the Government can borrow in the form of Treasury Bills, and it is increasing from \$75million to \$225 million the amount it can borrow in longer-term Treasury Notes. There is an overall incredible increase of 250 million. We are, in the first instance, concerned about a Government going on a borrowing binge locally." That is what Mr. Espat had to say. He was concerned because at the time he was signaling that this might have certain fiscal impacts, both in the private and the public sector, and he was concerned about, what he called at the time, the crowding out of the private sector and also signaling that the concern was that Government was using, what he called, these are his words, "in effect an extremely, blunt, distasteful instrument". And in his particular concern it was whether the Central Bank would actually end up coercing local banks to take up that money or not."

Mr. President, it is very evident that the concerns raised by Mark Espat on the 11th of March 2010 are still concerns that are alive today. Senator Lizarraga has rightly pointed out that we have been given no justification for the increase which is being requested here from the \$200 million that was changed in 5 short

years ago, less than 5 years ago, from \$60 million to \$220 million, \$200 million, and now we are looking at from \$200 million to a doubling of that, to \$400 million. And when it comes to the Notes, the longer-term Notes, \$450 million, it's being doubled from \$225 million. It is, Mr. President, the same naked, distasteful, blunt instrument it always was.

I don't know, Mr. President, if this is what is meant by the political propaganda of the best being yet to come. But let me tell you that there is no Belizean that wants to hear that the Government is simply providing itself with the permission to go and raise additional capital, to double its, first of all, to double its capacity to do so without any justification. I agree with Senator Lizarraga. Tell us what you are doing this for, man. Is it balance-of-payment support? Are we to look forward to a budget shortfall that we must cover coming up in March? Is it to pay the arbitral award of Lord Ashcroft? What? What is it that we are being asked to double this for? Really and truly you are talking about giving a Government carte blanche to raise the debt profile and the debt burden of this country on the already overburdened citizens without any justification and without any explanation as to what it is that your fiscal policies or your economic outlook are or are going to be your vision. What is it that is going to be demanded? Why it is that you feel you need to raise this amount of a threshold in order to be able to enjoy your, what is it that Mr. Espat called it, your naked, dramatic increase in the amount that the Government can borrow from local sources and permitting yourself the luxury of this schedule?

Mr. President, we cannot support the raising of this threshold in this manner. There is absolutely no explanation for it. It is unconscionable. We are not being told what it is that the Government will do. And I think that this Government continues to believe that it can simply go on these spending sprees, talking about roll this and talking about the best is yet to come, while acting like anybody else who can't balance their household budget and have to be asking permission now to raise additional capital from local sources. Now, Mr. President, we cannot support this and we will be asking for a poll to vote on this particular Bill. Thank you, Mr. President.

SENATOR S. DUNCAN: Thank you, Mr. President. The Treasury Bills is just another source of funding. If it were not Treasury Bills and Government has a commitment it has to meet it, will be something else. But Treasury Bills represent a cheap source of funding, and this Government being a prudent Government tries to get a cheap source of funding. They are not going to the commercial banks where they have to pay the high interest rates but, if there is a commitment, there is a commitment. I think it was the Prime Minister who in a press conference had actually indicated that to complete the transaction coming out of the BTL acquisition that Treasury Bills would have been issued. So I'm not sure it is a surprise. However, be that as it may, I'm saying whatever that commitment is that Government has it still has to pay it or the country will be in default, whatever way you look at it. So the Government is doing the prudent thing in finding the right way to meet that obligation, whatever the obligation is.

We have seen a significant increase in the surplus liquidity within this country over the last couple of years, few years, to the point where the liquidity continues to increase and increase, and it is currently in excess of \$430 million. It continues to grow, and the people who have surplus funds also want a return on their funds. So finding a way to employ those funds actually provide depositors with a way to make a return on their deposits. However the way the system works, it is very difficult for Government to take advantage of the situation, so to

speak, and I say that, in this context, the people who have surplus funds, insurance companies, banks, etc., will clearly want to try to find somewhere to place those funds that they can make the best return possible.

MR. PRESIDENT: Excuse me, Senator. Senators, if you have a point of order, you may rise and say so, okay. Thank you.

SENATOR S. DUNCAN: Treasury Bills today, Mr. President, yield 0.05%. Nobody will run and rush to buy Treasury Bills if there are alternative investment opportunities to provide a better return than that. The fact that Treasury Bills are being taken up, and, in fact this is probably the best that is available at the time. The minute there is an alternative Government will not get people to buy those Treasury Bills. So it is clearly something that is driven by the market to a large extent. The minute the market feels that it can get a better return in another area the Treasury Bills will stay right there, right. So raising the ceiling on Treasury Bills does not necessarily mean that the public will go and buy the Treasury Bills anyhow. It is just raising the ceiling, giving the Government permission to see if it can encourage the public to buy the Treasury Bills, but it doesn't automatically mean that they will do so. It's an investment, like anybody else they will think if they can get a better deal in another type of investment. I see nothing wrong with raising the ceiling. You could raise the ceiling to anything you want. It does not necessarily mean you will get it. People have the choice whether or not to buy the Treasury Bills. People have that choice, and the Government is not, they are being prudent. They have no intention of crowding out the private sector, but the private sector has not been using up the surplus funds. It's been sitting there for years. So there is nothing wrong with employing those funds in the mean time.

Another advantage of Treasury Bills, Mr. President, is that the banks and the insurance companies that buy these Treasury Bills are very free to break them at any time. So, if I were to put all my surplus funds in Treasury Bills tomorrow, I can break them the next day if I need those funds to lend to the private sector. Buying the Treasury Bills does not stop the private sector from accessing financing and funds in this country because those Treasury Bills are guaranteed. There is a guaranteed secondary market by the Central Bank, if I need to sell back my Treasury Bills, so that funds would be available to lend to the private sector. So I don't want to equate the two. I understand the theoretical construct, the theoretical concept. But I am just saying how it works in practice. I don't think it is a cause for concerned.

Given the very low interest rate, the very low yield in Treasury Bills, Mr. President, I feel that people will only use it to the extent that they need to, and once they can get a better return, as a banker myself, if I can find somebody who will borrow those funds from me at 8% and 9% and 10% you can rest assure I'm not going to buy any Treasury Bills to get 0.05%. So it is not going to crowd out anybody. It is not going to crowd out anything. I believe that this is a Bill that can be supported, and I certainly will support it, Mr. President.

SENATOR P. ANDREWS: Mr. President, I rise to make my contribution. I ask your permission to refer also to my notes. I do, and I have to agree with the Senator that there is no cause for concern. There is no cause for concern for the banks, and that is what the Belizean people need to understand. But there is a

cause for concern for every single Belizean that will be burdened with over \$400 million in debt in this country. (Applause) And I will repeat it, I will repeat it, Mr. President, you would think that we had a representative from a bank in here pushing the cause of the bank, and I want to remind the Senator that he is here to defend the Belizean people and not the interest of any bank. (Applause)

Mr. President, every time we come to this House, there is more and more money that's being borrowed. Last time we came we had to approve millions of dollars; last year we approved almost half a billion dollars in this very House. As I listened and tried to find any rational reasons why this Government is about to raise the ceiling from \$200 million to \$400 million for Treasury Notes and also from \$250 million to \$450 million in Treasury Bills, I find it concerning, Mr. President. Domestically we will have almost a billion dollars in debt when you add the \$409 million that was in the report from Central Bank in November of 2014, that made up 11% of our GDP. And, when you look at that and you add another \$400 million domestically, the Belizean people will be indebted with almost a billion dollars in more debts, alright.

And this is of concern to me, Mr. President, because we have also an external debt of over \$2.3 billion that makes up 66% of our GDP, and this should be of concern to all Belizeans because, you see, we have a Government who have gotten used to spending and spending from Petrocaribe, and we know now that the Petrocaribe funds have dried up. We now know that there's no more. In fact, in the Prime Minister's own words, prior to November they were talking about the best is yet to come, and in the Prime Minister's own words he is now cautioning Belizeans that we need to tighten our belt because things might get a little bit rough in this country. Somebody spoke this morning about us having access to be able to borrow money on the international market. Then why are we raising the threshold for these Treasury Bills and Notes, when we know that there has not been any justifiable explanation to the Belizean people or worse to this Senate for why are we going to raise these thresholds to over \$400 million?

Mr. President, we know that we are a young nation and that we have seen tremendous spending by this Government. We have seen tremendous spending, and it is of concern to me, as I always mention, because we will be here for the next 20 years to 30 years, many of us. We have a Government that keeps borrowing and borrowing and spending with no means of how to be able to service these debts that they continue to weigh upon the people of this country. And it is of concern because, when you look at our country, the other day I went to Placencia and I was saddened to see the once beautiful banana industry that has just dried up in this country. When we look at the shrimp industry that is under challenge, when we look at the rice industry in this country, the sugar industry, and the citrus industry, these are all means that bring revenues to us. I would hope that from this \$400 million that we would somehow look to see how we could invest into something that we would be able to create revenues and to be able to service these debts.

In a time when globally the world is enjoying low fuel prices, I think in Michigan they were saying that a gallon of gas is for 98 cents. Here in this country we are seeing the prices of oil going up just in December. And I mention that, Mr. President, because this Government has continued on a spending spree. They continue on a spending spree of borrowing and spending, borrowing and spending, and it's killing us economically as a country. Somebody said there is a lot of liquid cash in the banks. It's true that there is a lot of liquid cash in the banks because nobody is borrowing, because there is no means to repay back, and nobody is going to the bank to borrow money. Every time you open an Amandala

or a Reporter you see how many houses are up for foreclosure because the economy in this country is depressed. We have over 43% of our people living in poverty, after spending almost a half a billion dollars on Petrocaribe money that we have borrowed, and now we are about to spend a next \$400 million on God knows what.

I agree with my colleagues on this side, Mr. President, that we cannot in no way continue to support the raising of this threshold for these Treasury Bills without any logical explanation on how this Government will spend these \$450 million and we are supposed to come here and just approve this and continue to add to our national debt. I hope for some clarification, maybe from the Leader of Government Business, maybe he could give us some sort of a clarification on what the Government intends to use these \$400 million on. Maybe he will ease some of our concerns. And so, Mr. President, again, in closing we are concerned, as a country, I am concerned, as a Belizean, I'm concerned, as a Member of this Senate, with the reckless borrowing and reckless spending of this UDP Government. Thank you, Mr. President.

SENATOR M. COY SR.: Mr. President, I rise in support of the Bill for an Act to amend the Treasury Bills Act, Chapter 83. Listening to what Senator Andrews said there and, of course, what Senator Lisa Shoman mentioned with the quote "the best is yet to come", I want to make it clear to them, Mr. President, that the best you can see. I want to give them this example during the administration of 1998 to 2008, Mr. President, the public officers, the teachers, the soldiers, the Belize Police Department and everybody who worked in this beautiful jewel, Mr. President, they never ever saw a raise of pay like how we have seen in just this time, where they have been given the three raise of pay in almost back-to-back. So I want to point that out to my colleagues on the other side, Mr. President.

Now, when we talk about spending the Petrocaribe and we are not seeing where the Petrocaribe is going, Mr. President, let me point out that this country has enjoyed and is enjoying, and is fast developing, Mr. President, you go to anyone of those districts, especially in the south, Mr. President, and you can take a smooth ride right now, Mr. President. If we are to go to Jalacte, Mr. President, look at that brand new highway that was built in Jalacte. Mr. President let me also remind them that the people of Aguacate, Mr. President, recently got their water project, Aguacate, Conejo Creek, and Santana. Mr. President, there is also the brand opening of the new market in Punta Gorda Town. Isn't that what we call transparency, Mr. President? But what do they have to show to us in terms of what they did when they were in Government, Mr. President? They have absolutely nothing to show to the Belizean people, nothing, Mr. President. Now we want to talk about the best is yet to come the best is here, Mr. President.

I also want to remind them, Mr. President, when they talked about the price of fuel that it should concern us. Mr. President, you know that before the general election in 2007, Mr. President, do you know what was the cost of fuel at one of the pumps in the south? Mr. President, I can remember going to the pump days before the general election in 2007, the price of fuel was about twice the amount that we have today, Mr. President. So what is that? Isn't that what we used to face in the past, Mr. President? So, Mr. President, I want to make it clear to my colleagues on the other side that this United Democratic Party Government is a Government for all, Mr. President.

SENATOR DR. C. BARNETT: Thank you very much, Mr. President, I

just want to make a few comments in the interest of sorting out the accuracy of some of the numbers that we like to throw around in this Honourable Chamber. Everybody has to be concerned about borrowing. We all are always concerned that we are borrowing for the right reason and that when we are borrowing that we are not jeopardizing our long-term growth and development. So that is understood. We share that, and everybody shares that concern. That is not unique to us or to anybody else. But I wanted to be clear that it is not true, and I hear it from time to time. It is not true to say that this is the greatest period of borrowing that we've ever seen because it's not. We've been through that, and even a simple look at the data will show that, indeed, the period of time that this country saw the greatest increase in borrowing is well behind us. That was in the period up to 2005. We know that. We can't recreate history in here. That is, in fact, true. And what we have to understand is that some of the problems that we face today go back to some of those issues that we were dealing with having come out of that period of high and expensive borrowing that we went through up to 2005. So we can't separate where we are from where we are coming from.

In relation specifically to the Treasury Bills, the increase in the Treasury Bills' and Treasury Notes' limits, the limits are exactly what they are. They are limits. It means that Government operates below that limit to the extent that it needs as it goes along. This is how it's always been. It's never been that Government has borrowed up to the limit and it stays there. The Treasury Bills' market is managed in a way that takes into consideration the needs of all of the people who participate in that market. Yes, the banks are a big player in that market. The private sector can be there, some private sector entities that participate in the Treasury Bills' and sometime in the Treasury Notes' market. But the increase in the limit does not mean that tomorrow Government is going to issue Treasury Bills and Treasury Notes that would take them from where the amount of outstanding is now to the limit. It just doesn't work that way.

It is also not true to say that we don't know who we owe. We know who we owe. That's set out in a Schedule behind every budget that is presented to the House of Representatives every year and passes through the Senate every year. (Applause) And if you would get the big book, that big Estimates of Revenue and Expenditure, there is a long list of all the people who we owe, and if you want to do the research you can go back to the big book from way back and you can see how that has changed over time. That's how it is. We know exactly who we owe, we know how much we owe, we know how much we have to pay every year, and we can tell well in advance whether we have a difficulty paying 10 years down the road, and, as I speak, we don't have that problem, Sir. So it's just not true to say that we don't know who we owe and what the impact of that borrowing is.

I would like to suggest that, when we see the budget that's being prepared for next year, we will see in that document how Government proposes to use this limit in the future. Remember this is a limit within which Government now has to function. It is not going to go out and put out all these notes tomorrow. But it will

in the process of the upcoming budget be indicating how much of that it may expect to draw down as we proceed in the oncoming financial year. And at that time we will see exactly what Government proposes to spend every cent of money that comes into the coffers. It will be set out in that document, and we will be able to have a full debate on what those sums will be used for at that time because that is the way our system works. Thank you, Mr. President.

SENATOR G. HULSE (Leader of Government Business and Minister of Natural Resources and Immigration): Thank you, Mr. President. I want to thank my colleagues, Senator Duncan, Senator Barnett, and Senator Macario, for their intervention. Just two quick things, Mr. President, we keep talking about borrowing, and I wanted to clarify and, again, just to reiterate that this Bill before us, and I didn't stand up on a point of order, but we are not debating a Bill to borrow \$400 million. We are debating a limit that Government can go with domestic borrowing, and there is a significant difference between domestic borrowing and external borrowing, a significant difference how it impacts the economy for those persons who understand finance. So I wanted to make that first point.

The second point I wanted to make, again, is, back to consultations. Treasury Bills you know the House of Representatives, and this is well established in legal principles, are the people, those people who are elected are the people responsible for taxing the people and spending the people's money. And so this falls within their purview. This has gone to the House. It's been debated, and it is sent to us.

The third and final point I want to make, by way of clarity though, is that we have to understand that lamenting borrowing and spending is not an exercise in any modern economy and any business. I don't know of any Government, and I'm trying to think fast, that has that serious surplus that there is no need for them to raise funds. The great United States, we see the difficulty there as well as the European countries and the Caribbean countries. But what is important to note, and I think Senator Barnett pointed it out, is the percentage of our borrowing relative to our GDP which is the indicator of our growth and our ability to repay. It is like in your home. If you sit down with your wife, or you and your wife sit down with any other person in your home who may be living there and may be contributing and you say, "Collectively we are earning \$10,000 a month and these are our bills: light, water, fuel, transportation, etc., but we want to expand the home or we want to do home maintenance. What amount can we borrow?" It doesn't necessarily mean that you can only borrow to the limit of your income for that particular year. You can spread it over a period of time, and therefore you amortize your payments, etc., and you say, "We can afford to do this. All things being equal." This is what Governments do. Reckless Government spends recklessly. I will not countenance the statement that we, to date, in this Government, in this Chambers have supported reckless spending. On that note, Mr. President, I move that the question be put.

MR. PRESIDENT: Honourable Members, the question is that the Bill for an Act to amend the Treasury Bills Act, Chapter 83 of the Substantive Laws of Belize, Revised Edition 2011, to raise the limit of principal sums represented by Treasury Bills and Treasury Notes outstanding at any one time; 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. Belize Island Holdings Facility Development Bill, 2015.

SENATOR G. HULSE (Leader of Government Business and Minister of Natural Resources and Immigration): Mr. President, I rise to move the second reading of a Bill for an Act to provide for certain exemptions from taxes and duties proposed to be granted to the Developer by the Agreement; to provide for the effective implementation of the Facility; and to provide for matters connected therewith or incidental thereto.

MR. PRESIDENT: Honourable Members, the question is that the Bill for an Act to provide for certain exemptions from taxes and duties proposed to be granted to the Developer by the Agreement; to provide for the effective implementation of the Facility; 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.

4. Belize National Coast Guard Service (Amendment) Bill, 2015.

SENATOR G. HULSE (Leader of Government Business and Minister of Natural Resources and Immigration): Mr. President, I rise to move the second reading of a Bill for an Act to amend the Belize National Coast Guard Service Act, Chapter 131.01 of the Substantive Laws of Belize, Revised Edition 2011; to provide for the change of name of the Belize National Coast Guard Service to the Belize Coast Guard, and the clarification of the duties and functions of the Coast Guard; to bring the Act into conformity with the Constitution of Belize by providing that powers of appointment and otherwise in relation to members of the Coast Guard are exercisable by the Security Services Commission; and to provide for matters connected therewith or incidental thereto.

MR. PRESIDENT: Honourable Members, the question is that the Bill for an Act to amend the Belize National Coast Guard Service Act, Chapter 131.01 of the Substantive Laws of Belize, Revised Edition 2011; to provide for the change of name of the Belize National Coast Guard Service to the Belize Coast Guard, and the clarification of the duties and functions of the Coast Guard; to bring the Act into conformity with the Constitution of Belize by providing that powers of appointment and otherwise in relation to members of the Coast Guard are exercisable by the Security Services Commission; 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.

III COMMITTEE OF THE WHOLE SENATE ON MOTIONS AND BILLS

MR. PRESIDENT: Honourable Members, in accordance with Standing Order 68A, the Senate will now resolve itself into the Constitution and Foreign Affairs Committee, a Committee of the whole Senate, to consider the Motions referred to it and, thereafter, in accordance with Standing Order 54, the Committee of the whole Senate to consider the Bills that were read a second time.

Honourable Members, I will now take the Chair as the Chairman of the Constitution and Foreign Affairs Committee and then as the Chairman of the Committee of the whole Senate.

(In the Constitution and Foreign Affairs Committee)

MR. PRESIDENT in the chair.

1. **Re-Appointment of Ombudsman Motion, 2016.**

Motion in its entirety agreed to.

Motion to be reported back to the Senate for adoption without amendment.

2. **Re-Appointment of Contractor General Motion, 2016.**

Motion in its entirety agreed to.

Motion to be reported back to the Senate for adoption without amendment.

(In the Committee of the whole Senate)

MR. PRESIDENT in the Chair.

1. **Private Pensions Bill, 2015.**

Clauses 1 to 68 agreed to.

Schedule agreed to.

Bill to be reported back to the Senate without amendment.

2. Treasury Bills (Amendment) Bill, 2015.

Clauses 1 and 2 agreed to.

Schedule agreed to.

Bill to be reported back to the Senate without amendment.

3. Belize Island Holdings Facility Development Bill, 2015.

Clauses 1 to 8 agreed to.

Schedule agreed to.

Bill to be reported back to the Senate without amendment.

4. Belize National Coast Guard Service (Amendment) Bill, 2015.

Clauses 1 to 7 agreed to.

Schedule agreed to.

Bill to be reported back to the Senate without amendment.

PUBLIC BUSINESS

A. GOVERNMENT BUSINESS

I MOTIONS

(Adoption of Motions)

1. Re-Appointment of Ombudsman Motion, 2016.

SENATOR G. HULSE (Leader of Government Business and Minister of Natural Resources and Immigration): Mr. President, the Constitution and Foreign Affairs Committee has met and considered the Re-Appointment of Ombudsman Motion, 2016, and has agreed that it be returned back to the Senate for adoption.

I therefore move that the question be put.

MR. PRESIDENT: Honourable Members, the question is, NOW, THEREFORE, BE IT RESOLVED that this Honourable House, being satisfied that **MR. LIONEL ARZU** is a fit and proper person to be re-appointed as Ombudsman, recommends to the Governor-General that **MR. LIONEL ARZU** be re-appointed as Ombudsman for a further period of one (1) year with effect from 1st January 2016, on his existing terms and conditions.

All those in favour, kindly say aye; those against, kindly say no. I think

the ayes have it.

2. Re-Appointment of Contractor General Motion, 2016.

SENATOR G. HULSE (Leader of Government Business and Minister of Natural Resources and Immigration): Mr. President, the Constitution and Foreign Affairs Committee has met and considered the Re-Appointment of Contractor General Motion, 2016, and has agreed that it be returned back to the Senate for adoption.

I therefore move that the question be put.

MR. PRESIDENT: Honourable Members, the question is, NOW, THEREFORE, BE IT RESOLVED that this Honourable House, being satisfied that **MR. GODWIN ARZU** is a fit and proper person to be re-appointed as Contractor-General, recommends to the Governor-General that **MR. GODWIN ARZU** be re-appointed as Contractor-General for a further period of two (2) years with effect from 1st January 2016, on his immediately pre-existing terms and conditions.

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

V REPORTING AND THIRD READING OF BILLS

1. Private Pensions Bill, 2015.

SENATOR G. HULSE (Leader of Government Business and Minister of Natural Resources and Immigration): Mr. President, I rise to report that the Committee of the whole Senate has considered the Private Pensions Bill, 2015 and passed it without amendment.

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

MR. PRESIDENT: Honourable Members, the question is that the Bill for an Act to make provision for the registration of Private Pensions; the supervision of private pensions; to offer better protection to private pensioners and to provide for matters connected therewith and 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. Treasury Bills (Amendment) Bill, 2015.

SENATOR G. HULSE (Leader of Government Business and Minister of Natural Resources and Immigration): Mr. President, I rise to report that the Committee of the whole Senate has considered the Treasury Bills (Amendment) Bill, 2015 and passed it without amendment.

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

MR. PRESIDENT: Honourable Members, the question is that the Bill for an Act to amend the Treasury Bills Act, Chapter 83 of the Substantive Laws of Belize, Revised Edition 2011, to raise the limit of principal sums represented by Treasury Bills and Treasury Notes outstanding at any one time; 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. Belize Island Holdings Facility Development Bill, 2015.

SENATOR G. HULSE (Leader of Government Business and Minister of Natural Resources and Immigration): Mr. President, I rise to report that the Committee of the whole Senate has considered the Belize Island Holdings Facility Development Bill, 2015 and passed it without amendment.

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

MR. PRESIDENT: Honourable Members, the question is that the Bill for an Act to provide for certain exemptions from taxes and duties proposed to be granted to the Developer by the Agreement; to provide for the effective implementation of the Facility; 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.

4. Belize National Coast Guard Service (Amendment) Bill, 2015.

SENATOR G. HULSE (Leader of Government Business and Minister of Natural Resources and Immigration): Mr. President, I rise to report that the Committee of the whole Senate has considered the Belize National Coast Guard Service (Amendment) Bill, 2015 and passed it without amendment.

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

MR. PRESIDENT: Honourable Members, the question is that the Bill for an Act to amend the Belize National Coast Guard Service Act, Chapter 131.01 of the Substantive Laws of Belize, Revised Edition 2011; to provide for the change of name of the Belize National Coast Guard Service to the Belize Coast Guard, and the clarification of the duties and functions of the Coast Guard; to

bring the Act into conformity with the Constitution of Belize by providing that powers of appointment and otherwise in relation to members of the Coast Guard are exercisable by the Security Services Commission; 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

SENATOR G. HULSE (Leader of Government Business and Minister of Natural Resources and Immigration): Mr. President, I move that the Senate do now adjourn.

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

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

The Senate now stands adjourned.

The Senate adjourned at 1:20 P.M. to a date to be fixed by the President.

PRESIDENT
