

BELIZE

No. 16/1/13

SENATE

Wednesday, 23rd August 2017

10:00 A.M.

Pursuant to the direction of Mr. President, in writing, dated 18th August 2017, the Senate met in the National Assembly Chamber in Belmopan on Wednesday, 23rd August 2017, at 10:00 A.M.

_

Members Present:

Senator, the Honourable Lee Mark Chang – President
Senator, the Honourable Godwin Hulse – Leader of Government Business
and Minister of Agriculture, Forestry, Fisheries, the Environment,
Sustainable Development and Immigration
Senator, the Honourable Dr. Carla Barnett – Vice-President and Minister of
State in the Ministry of Finance and Natural Resources
Senator, the Honourable Michael Peyrefitte – Attorney General
Senator, the Honourable Macario Coy Sr.
Senator, the Honourable Stephen Duncan
Senator, the Honourable Aldo Salazar
Senator, the Honourable Eamon Courtenay
Senator, the Honourable Valerie Woods
Senator, the Honourable Paul Thompson
Senator, the Honourable Markhelm Lizarraga
Senator, the Honourable Rev. Ashley Rocke
Senator, the Honourable Elena Smith
Senator, the Honourable Osmany Salas

MR. PRESIDENT *in the Chair*.

PRAYERS *by Senator Rev. A. Rocke*.

BILL BROUGHT FROM THE HOUSE OF REPRESENTATIVES

**SENATOR G. HULSE (Leader of Government Business and Minister
Agriculture, Forestry, Fisheries, the Environment, Sustainable Development
and Immigration):** Mr. President, I rise to take charge of the Town Councils
(Amendment) Bill, 2017.

Mr. President, in accordance with Standing Order No. 49 (1), I move that

the Bill be taken through all its stages forthwith.

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

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

MOTIONS RELATING TO THE BUSINESS OR SITTINGS OF THE SENATE

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development 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. **Resolution Authorizing the Ratification by Belize to the Protocol Amending the CARICOM Agreement on Social Security Motion, 2017.**

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Mr. President, I move that - **WHEREAS**, the Protocol Amending the CARICOM Agreement on Social Security (hereinafter called “the Protocol”) was signed by Belize on 5th July 2017;

AND WHEREAS, the objective of the Protocol is to provide greater clarity on Article 18: Payment of a Partial Benefit and Article 33: Application of Article 18 of the CARICOM Agreement on Social Security;

AND WHEREAS, the Government of Belize is desirous of ratifying the Protocol pursuant to Article II of the Protocol;

AND WHEREAS, section 61(A)(2)(a) of the Belize Constitution as amended by the Belize Constitution (Sixth Amendment) Act (No. 13 of 2008) provides that the Senate shall authorize the ratification to any treaty by the Government of Belize;

NOW, THEREFORE, BE IT RESOLVED that the Senate authorizes the Government of Belize to ratify the Protocol, a full text of which is hereto

annexed.

SENATOR M. LIZARRAGA: Thank you, Mr. President. Mr. President, I rise in support of this. This is something we've been discussing for years at the Social Security, and we are happy to see that it's put into place. The importance of this agreement, Mr. President, is it lends security to those workers that may wish to seek employment in other jurisdictions in CARICOM who are signatories to this agreement. It means that their benefits in effect can carry forward into those jurisdictions. We can see the Bahamas signed on to this agreement in 2010; we see Barbados in 2013; we see Grenada in 2017; Dominica in 2011; Grenada in 2011; Guyana in 2013; Montserrat in 2013; St. Kitts and Nevis in 2011; St. Lucia in 2010; and St. Vincent and Grenadines in 2009. And what this means is that signatories to this agreement, Mr. President, agreed that, if nationals have incurred certain privileges and Social Security rights in these jurisdictions, that these people can, in fact, still enjoy them in another jurisdiction should they go to either retire or work. So this is way long overdue. It took us a long while to sign it, but I am glad to see that we've signed it. Thank you, Mr. President.

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

2. **Resolution Authorizing the Ratification by Belize to the Amendment to Annex III of the Agreement Relating to the Operation of the CARICOM Development Fund (CDF) Motion, 2017.**

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Mr. President, I move that - **WHEREAS**, the Agreement relating to the Operation of the CARICOM Development Fund (hereinafter called "the Amendment to Annex III") was signed by Belize on 5th July 2017;

AND WHEREAS, the objective of the Amendment to Annex III is to provide for the Less Developed Countries of CARICOM to receive grant disbursements in amounts that are equivalent at the minimum, to their respective contribution to the CDF; and to provide for the CDF Board to forward to the Community Council, any proposed changes to the terms and conditions of the access to the resources of the CDF;

AND WHEREAS, the Government of Belize is desirous of ratifying the Agreement pursuant to Article XXXIV of the Agreement Relating to the Operation of the CARICOM Development Fund;

AND WHEREAS, section 61(A)(2)(a) of the Belize Constitution as amended by the Belize Constitution (Sixth Amendment) Act (No. 13 of 2008) provides that the Senate shall authorize the ratification to any treaty by the Government of Belize;

NOW, THEREFORE, BE IT RESOLVED that the Senate authorizes the Government of Belize to ratify the Amendment to Annex III, a full text of which is hereto annexed.

SENATOR M. LIZARRAGA: Mr. President, I have one brief comment. It's somewhat of a shame that we see that we have to contribute to this fund, and there is no indication anywhere, at least in the documents that I have received, what quantum we contribute to the fund. And it would have been helpful, I believe, in this instance for us to know what our financial obligations to this agreement would have been. Thank you.

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Mr. President, I move the Motion.

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

3. **Accession to the Nairobi International Convention on the Removal of Wrecks Motion, 2017.**

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Mr. President, I move that - **WHEREAS**, the International...

MR. PRESIDENT: One second, Senator Hulse. Yes, Senator Courtenay, what's your point of order?

SENATOR E. COURTENAY: Mr. President, the Leader of Government Business is about to move this Motion. The operative clause in the Motion says that the Honourable Senate have considered the Convention as settled in the Schedule hereto annexed. There is no Convention in the papers that we on this side received. We do not believe that this Senate should consider this Convention without it being provided to all the Members of the Senate. We are objecting to it being considered until it is presented and tabled in the Senate.

MR. PRESIDENT: Senator Courtenay, copies will be provided shortly.

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Mr. President, I will not quarrel with my colleague, and I do recognize the point. In fact, as late as yesterday evening, I did say, and it must be because I am becoming a little clever, and I said that Senator Courtenay will rise to say that the Convention has not been provided, and a summary is not adequate. So I pushed to get a copy which I received. And so we have no difficulty in

holding it and providing copies to Senators and deal with this at the other Sitting.

MR. PRESIDENT: Okay. Senator Courtenay, this Motion is deferred.

II BILL FOR SECOND READING

1. Town Councils (Amendment) Bill, 2017.

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Mr. President, I rise to move the second reading of a Bill for an Act to amend the Town Councils Act, Chapter 87 of the Substantive Laws of Belize, Revised Edition 2011, to make provision, for greater autonomy to the Town Councils for raising funds for capital projects; and to provide for matters connected therewith or incidental thereto.

SENATOR M. LIZARRAGA: Thank you, Mr. President. I would like to ask for permission to refer to my papers and notes. Mr. President, I rise to make my contributions to what is labeled as a Bill for an Act to amend the Town Councils Act, Chapter 87 of the Substantive Laws of Belize, Revised Edition 2011, and it says, “to make provision, for greater autonomy to the Town Councils for raising funds for capital projects; and to provide for matters connected therewith or incidental thereto.” Mr. President, while the business community’s overall position will be to support any move for autonomy for these bodies, we have some cautions and some major concerns that we are going to raise.

We have especially concerns about the criteria governing companies that can now be established under section 22 (2) and the type and size of debt incurred by the local authorities under section 22, subsection 3. More controls, Mr. President, we believe, are required regarding the ability to raise loans under section 22, subsection 1. The general premise of this amendment, Mr. President and colleagues, is to provide Local Governments with greater fiscal autonomy. In general, municipal development is benefitted from local authorities having greater autonomy both administratively and fiscally. We don’t have a problem with that. But we must be reminded that the primary source of revenue for Local Government remains taxes. And, if Belize City is any indication of what the financial structure of other municipalities will look like, then we know that 2/3 of revenue comes from property taxes and trade licenses fees.

Continuing on this motive, Mr. President, any additional financial liability, including instruments such as general obligation bonds, would rely on these same

revenue sources, thereby potentially adding strain on these revenues. Now the amendment also allows for special purpose entities to be created through which it can use, as one option, equity financing to raise funds. This option, while one would think should not be too worrying, relative to debt financing options, raises other concerns for us, Mr. President, and later on we will discuss this because what it does is it changes the fundamental role and outlook on how these bodies make investments now from one of service, or cost recovery, to one of profit, or for profit.

Mr. President, while the rates for trade licenses and property tax are determined in the relevant substantive Acts, the Trade License Act or the Towns Property Evaluation Act, and are not on the direct control of the local authority, any changes to fees under the Town Councils Act is still in many cases regulated through the House of Representatives, and some caution is warranted. One only needs to look at the Belize City experience to see how these measures will demand more of local government's resources, leading local authorities to either seek ways to cut cost, or advocate for increases in existing fees, or to establish new ones. In effect, our concern is more taxes, more burdens, on an already overburdened and overtaxed society, especially when one can anticipate and knows that there will be a desire to have heightened borrowing and spending in an upcoming election cycle.

Mr. President, I would like to get into the Bill. If you look at the current reading, the current law, section 22, subsection 1, and I quote, "Whenever the general interest and welfare or development of any town will, in the opinion of two-thirds of the members of the Council, be advanced by an expenditure greater than can be met out of the annual revenue of the Town Fund, the Council of that town may, by resolution carried by its majority, recommend to the Minister for the time being responsible for Finance, on the guarantee of an annual allocation of such amount of the Town Fund, as may be equivalent to the annual interest and sinking fund necessary for its redemption, the raising of a loan, the proceeds of which shall be devoted to such development." But that has been amended, and the principal Act is now repealed. What I just read has been repealed and it has been replaced with the following, and section 22, subsection 1, now reads, "The Council may, with the approval of the Minister responsible for Finance, borrow sums required by it for meeting any of its obligations or discharging of its functions." Mr. President, that changes the whole tone. That changes, and it diverts from what the very heading of this Bill says because the Bill says, "for

greater autonomy to the Town Councils for raising funds for capital projects.” Yet, in the very same Bill, it is now saying that, “The Council may, with the approval of the Minister responsible for finance, borrow sums required by it for meeting any of its obligations or discharging any of its functions.” That certainly does not limit it only to capital projects. So there is an inconsistency there.

Originally the Town Councils were able to raise loans that were guaranteed or secured by the Annual Town Council Funds, sufficient to cover the interest payments and providing for the sinking fund. But this amendment to section 22 (1), Mr. President, does several things. First of all, it removes the need for two-thirds of the councillors to agree to approve the loan. The previous version, again, read that “Whenever the general interest and welfare or development of any town will be advanced by an expenditure greater than the annual revenue,” which albeit was broad in its own right, it still provided some guidelines on when and why borrowing could be acceptable. This amendment, however, provides a type of cart blanche application for meeting any of its obligations or discharging any of its functions. And we know that the functions of the towns are listed under Part V. The law is very clear what the functions are. And, as well, this proposed amendment removes reference to the sinking fund and the guarantee of the town’s funds.

This amendment, Mr. President, basically leaves the only check and balance mechanism, as it pertains to approval of loans, now to the Minister of Finance. Probably most important is it removes the reference to the sinking fund. Therefore, these guaranteed repayment mechanisms of the liabilities are no longer mandated. Now one could argue that any lending institution, and we would hope that the National Bank will be making its own provisions to guarantee that they will be repaid. Therefore, one could say that this should not be a predominant concern. We beg to differ. The chief concern here has to be the protection of the Belizean taxpayer. We don’t know what limits are placed on the Town Councils and how much they can borrow. We’ve seen in previous pieces of legislation, for example, I can recall the Belize City, a bit, set a cap on how much of its resources the city could use to finance or to repay its debt. This piece of legislation sets no such limit. And we ask, what is there to prevent them from becoming overleveraged and indebted to the point that central government, and by extension the taxpayers, again, would have to bail these townships out? We ask, what prevents the Councils from putting the assets of the Council at risk through reckless borrowing and spending?

I checked with the Auditor General's Office to see how frequent they audit the towns, the accounts of the towns. And I was told that there was an audit of Dangriga's account in 2015, for which we've not seen the report. I was told that there was an audit of Corozal in 2016, for which we have not seen the report. And I am told that there is an ongoing audit of the Orange Walk Town Council for 2017.

Mr. President, if we look at section 22 (2), section 22 (2) read in the old Act, "Upon such recommendation, the Minister for the time being responsible for Finance may borrow such sum of money, as may be authorized under the Local Public Loans Act, Chapter 80, and, therefore, the sum necessary to meet the annual interest and sinking fund for the redemption of the loan shall be a first charge upon all monies which may then, or thereafter, form part of the Town Fund." And it has a proviso, "Provided that it shall be lawful for the Minister for the time being responsible for Finance to advance from the public funds of Belize, any sum required by the Council for a short period when the said Minister is satisfied that the Council will be able, from its ordinary revenue, to repay the amount advanced within a period of six months from the date of such advance." And it goes on to say that "the Minister for the time being responsible for Finance may, with the approval of the House of Representatives, at any time make an advance to the Council from the public funds of Belize on such conditions as he may think fit." Now, if we look at the amendment, section 22(2) will now read, all that I just read will be deleted, and how section 22(2) will now read is, "Subject to subsection (1), the Council may establish companies under the Companies Act, to raise funds for infrastructural development projects." This clause allows the local authorities to establish a type of state enterprise or other special purpose entities to raise funds for infrastructure projects. At least here it's narrowing it down to infrastructure projects.

But the million-dollar question is, how will these companies be regulated? Are we creating more Bills? Where will the public debate or disclosure on how contracts are awarded take place? Is this really what we need right now, given the history of accountability and transparency that we are seeing? Also, again, it changes the fundamental look of the Council from one of providing services. And these services get its support from taxes, and, in some cases, the Council has the ability to cost-recover, if it cleans your yard on your behalf, etcetera, or if it provides services, it can recover cost. But now it's changing the outlook to one

where the Councils can now go after profit. And this lends to the question, you know, what type of actions, what type of businesses, what type of companies, will be set up? And, you know, what services will they be providing that the private sector cannot provide? This is because you don't want to have an entity that has all the legal might and right and power competing with services that the private sector can provide. So we caution, again, in this section. Again, it removes that safeguard that we had that says that the Council had to repay within a 6-month period. Now debt can be stretched out for much longer periods of time.

Section 22 (3), Mr. President, the amendment reads that, "The Council may, either directly or through companies established by it, float bonds or issue shares or debentures for the purpose of exercising its borrowing powers under this Act." And this, again, is just authorizing the local authorities to use debt or equity financing mechanisms. The selling of shares may be a viable option, again, and it doesn't increase debt because if you sell shares you only pay dividends when there are profits. So it lends the question, again, whether these entities, not whether because if you sell shares no one will buy shares if you don't generate profit. So you know that these entities will be generating profit. Otherwise nobody will invest in them.

Section 22 (4) now reads, "Notwithstanding subsections (1), (2), and (3), the Minister responsible for finance may advance from the public funds of Belize any sum required by the Council, on such terms and conditions as that Minister may determine, if he is satisfied as to the ability of the Council to repay the amount advanced, from its ordinary revenue, within such time as he may determine," the Minister. Well, Mr. President, before the advance from public funds was restricted in such a way that repayment was expected to be within 6 months, and, as well, it required the approval of the National Assembly. But this amendment proposes to remove both of those elements, making it based solely on the approval of the Minister of Finance, circumventing the National Assembly. The repayment period as well now would be determined by the Minister of Finance, without the approval of the National Assembly. This is not only giving the municipalities more power, but it also is giving more powers to the Minister of Finance.

In section 23 (2) of the Town Councils Act, any additional unbudgeted expenditure must be tabled before the House of Representatives. The question is then, why then is an advance from public funds not treated in the same way? Why

was this provision designed for accountability removed? While we want to support this Bill, we want to caution about the need for more oversight in the expenditure, allocation, disbursements, of our public monies, of our tax monies. And these, Mr. President, should include such criteria governing companies that can be established under section 22 (2), and it should speak to the type and the size of debt incurred by local authorities under section 22 (3). Also, Mr. President, more controls may be required regarding the ability to raise loans under section 22 (1). This entire amendment, Mr. President, 22 (1), (2), (3) and (4), speaks verbatim to the Belize City Council Act, section 22 and, if I am not mistaken, to the Belmopan one. Therefore, it pertains to the ability to make loans, and this brings the Town Councils up to the same level like Belize City and Belmopan, and we support this. We support this. But, while we support it, this amendment grants Local Governments more fiscal autonomy. So we need to apply the same cautions then that we applied for Belize City and Belmopan. Remember I told you that Belize City had a cap. Belize City, it was stated in the legislation what percentage of their income could be used to service loans. There is no such provision in this Act.

We know that we need more and additional oversight when we are talking about public bodies, and that is no secret, and especially those bodies that receive their primary revenue from taxes and fees charged to public. Therefore, if the government is not careful in all likelihood, we could see a negative impact on taxpayers and residents in these municipalities now. Because of excessive borrowing, we could see moves to increase fees and taxes in the municipalities. Mr. President, on oversight, I would like to refer my colleagues to section 23 of the Town Councils Act, and it reads as follows, “23 (1) Every Council shall, before the end of September in each year, submit to the Minister responsible for Local Government for onward transmission to the Minister of Finance, in such form as may be prescribed by the Financial Secretary, estimates of revenue and expenditure for the period of one year commencing from 1st April, containing full details of salaries, allowances, and all other items of expenditure whatever, and the Minister responsible for Finance shall present the said estimates to the National Assembly with such amendments, if any, as he may consider necessary having regard to the financial position of the Council.” I ask the question to those of my colleagues who have been in this Honourable Senate much longer than I have, when has any such amendment ever been tabled before the National Assembly? I certainly can’t recall, and my colleagues can’t recall, the ones that I have consulted with. So we have not received or seen any such reports.

Section 23 (2) of the substantive Act says, “No expenditure shall be incurred by a Council, unless it has been previously approved by the National Assembly.” And it says, “in every such case, the Council shall include such extra expenditure in the supplementary estimates and submit the same to the Minister of Finance for the approval of the National Assembly.” It goes on to say in section 23 (6) that, “Every person who contravenes or fails to comply with any of the regulations under this section shall, without prejudice to any civil liability which may be incurred in that behalf, be guilty of an offence and shall be liable on summary conviction to a fine not exceeding \$1,000.00 or imprisonment for a term not exceeding one year, or to both such fine and imprisonment.” So, again, we ask, when in recent memory have these dictates under law been adhered to in the National Assembly? When has such or any such “estimates of revenue and expenditure for the period of one year commencing 1st April then next ensuing, containing full details of salaries, allowances and all other items of whatever expenditure,” when has these been presented to the National Assembly?

Mr. President and colleagues, it is specifically the lack of adherence to such regulations and laws that make it difficult for us not to demand greater oversight to be built into the laws. In as much as we long to support autonomy, we need to ensure that we have sufficient oversight built in and followed. The amendment to section 22, while it gives the Town Councils more autonomy, it also removes the checks and balances that existed before. We are going in the wrong direction. Again, before we needed to have the two-third majority of the Council. Now that is gone. The original section 22 (2)(b) demanded that even advances by the government out of public funds had to be presented to the National Assembly. That has been removed in line with what was removed for Belmopan and Belize City. So, again, we are giving less oversight in an atmosphere and in a culture already where we are not adhering to the rules currently established under law. We would want to see laws before us that lend us more responsibility, more accountability, more transparency, not a law that seeks to remove the little that you had before. Thank you, Mr. President.

SENATOR A. SALAZAR: Mr. President, I really thought that, well, I should have seen from the, or from what I understood on the House, this would not have been as simple as I thought. I really think we are trying to do something, trying to turn pink to blue, or something of that nature here. I don't know. We are simply trying to create an environment which gives some autonomy to the Town

Councils so that there can be some evolution in the way in which it raises capital to more complex structures in order to meet evolving times. I say this with respect. I think my learned colleague has used a fallacious argument, a fallacy of logic in his arguments, which I know is called as a slippery slope argument, which is that because one thing exists it means that there is a particular result. And I say this particularly because it equates to the fact that, if you allow the Councils to exercise a little bit more level of autonomy and to use special purpose vehicles for the raising of capital, the result is that taxes will increase. I don't think that that's true. When anybody goes for a loan, when you go to the bank for a loan, you don't go to your boss for a raise at the same time. You use your budget. So when you go to the bank to raise funds you use the budget that you have.

This particular amendment does not give the Town Councils any additional weapon in their ability to raise taxes. It doesn't give the Town Councils anything extra. It doesn't give them any fiscal ability to raise taxes by this amendment more than what the Town Councils already have. So the Town Councils are free to raise taxes within the parameters that they enjoy at this moment. After this Act passes, they will still have those same parameters within which to raise taxes if they so choose. That is a matter for each particular Town Council, and they will have to answer to their electorate. Raising taxes is not necessarily a sin. If a Town Council raises its taxes for a particular purpose and its electorate is satisfied with what those taxes have been used for, then so be it.

But, in my humble view, we should not oppose this amendment because it may result in an increase in taxation. That is not the case. One does not follow the other in logic. All that it is doing is that it is creating a better environment for the Town Councils to operate. And I feel that we have seen this with quite some success in Belize City and in Belmopan. This has worked well. The bonds have been raised. It has been put to good use, as far as I am concerned. Others may feel differently. And we are simply allowing the Town Councils to enjoy the same benefits that the cities, the municipalities that are cities, enjoy. I really don't see that there can be anything wrong with that. So I feel that, you know, based on what I heard in the House, and what I am hearing today, that we are really blowing this thing out of proportion. It's just creating a better environment for the Town Councils to operate at an equal footing with the City Councils. So this has my support. Thank you.

SENATOR M. LIZARRAGA: Mr. President, I rise under section 33 (4)

of the Standing Orders to make some corrections that my friend, either intentionally or unintentionally, said about what I said. One, I was very clear that we did not oppose this amendment. That we, in fact, were supporting it, but we were lending caution and we were talking about what needs to be strengthened. And when I spoke to taxes, I will repeat, I said, therefore, if the government is not careful, this could have a negative impact on taxpayers. I didn't say it was a given, okay, on whether we had moves to increase fees and/or taxes. So please, under 33 (4), I make those corrections for the record.

SENATOR REV. A. ROCKE: Mr. President, I rise to lend support to the Bill in principle. I feel that, when we read the Bill, there is no carte blanche authority given to the Town Council to do as it please. I take comfort in the fact that the Town Councils are under the scrutiny of the Minister of Finance, who is the Prime Minister, whether it is of this party, or any other previous party to come. I think that, when we write laws, we need to be cognisant that the law is written in a futuristic manner. As well, I believe that, when we look at the results, I think they have a statement that says, "If you do the same thing over and over expecting different results, then you are a crazy man." And I think that at the wake of what we have seen with these new institutions that have taken place in the City Council, in both Belize and Belmopan, we've seen the radical, the radical change that has occurred in our cities. And I think it would be unfair of us to say it could happen in the cities, but not necessarily in the towns. I think we impede our Town Councils from achieving the very same things that we see happening around the country in our cities.

And so the question of the law being not very useful, in terms of the Town Council people taking advantage of privileges they shouldn't, I don't know that that is what the law is intending to do. I hope that all of us would take comfort in the fact that, whoever Prime Minister comes to the table, that that Prime Minister would make sure that, fiduciary responsibility is maintained, in regards to the Town Council and its behaviour. And so it is in that spirit that I rise to support, or that the Church rise to support the Bill.

SENATOR V. WOODS: Thank you, Mr. President. I rise to make my contribution to the debate on the Town Councils (Amendment) Bill. Let me be perfectly clear so that there is no ambiguity where I stand when it comes to the autonomy for municipalities, be that of Town Councils or City Councils. But we are dealing with Town Councils today, not City Councils, and that greater

autonomy should be encouraged. Greater autonomy, and with that greater autonomy comes the responsibility for sound stewardship, fiscal management, accountability and transparency because these are the prerequisites for an institution to have its autonomy. And all of us, every single Senator, I am certain, no matter which organization or party affiliation may have brought you to the Chamber, I am certain that all Senators agree that our seven existing Town Councils ought to get to that level of greater autonomy.

And why should all of us and Belizeans want that? It is very simple because, if it's done the right way, and if the Town Councils are, indeed successful, then it would be less burdensome on the government, a very heavily indebted government, to pick up the tab. Of course, we could have come here and do the political jobs about the timing of it all, a mere six months before municipal elections, but let's not do that today. Let's not do that. (Senator Coy, I said, "Let's not do that today.") Let's try and approach this, what I am sure many thought should have been a simple matter, a one-hour Senate Meeting, let's not blow it out of proportion discussion. But let's really drill down on what's happening here. What could have done away with some of the perhaps scepticism of this Bill would have been if there are, indeed, or, if, indeed, at the House Meeting on Friday one of the justifications was that there was this outcry of sorts by the Mayors Association of all Town Councils that are saying, "We need this, and we need it now. It cannot wait. We cannot wait for September, the regular session of both Chambers, cannot wait for October, has to be done now, Mr. Prime Minister, Minister of Finance. And these are the reasons why it has to be done now." But we did not get that.

So let's focus on the Bill that we did get. On the surface of it, I will say that it appears that it's intended for greater autonomy. But when you look at it more closely, Mr. President, and I would have hoped all of the colleagues in this Chamber would have done. If you looked at where the genesis of this came from, and the justification provided by the Prime Minister who tabled it and wanted it to go through all three stages on Friday, the apparent intention, according to the Prime Minister because he stated it in the House, is specifically because of the dire need of Santa Elena and San Ignacio Town Council, who are in desperate need of finishing the construction of their new Town Hall. Well, obviously, not knowing that this was surely going to be on the agenda, until having listened to the House Meeting, I was curious about that. And it has led me to some serious doubts.

We all want responsible management of all seven Town Councils. This is a Town Council Bill that we are looking at, with greater autonomy. But before asking any of the seven Town Councils, and before requiring them to do more, AKA borrow more, because this is what this is about, should we not carefully assess how the seven Town Councils which will be impacted by this are currently meeting their obligations? Should that not have formed a part of the justification by the Minister of Finance, the Prime Minister of this country, in demonstrating even more so, why this Bill had to be rushed through its three stages? And the simple fact, and it is a fact, all Town Councils are not equal. It is a fact. And, to be quite frank, they're not created equally. Some are better than others in fiscal stewardship. Some are better in the husbandry of the resources, be it small or varied that they may have. Some have demonstrated the capacity, but not all, that when they find themselves not getting the resources, financial or otherwise, by Local Government, that they can creatively, skilfully and responsibly raise the monies within their towns, within their municipalities. But not all of them have demonstrated that. A cursory look at each of the seven Town Councils Revenue Collection Rate can demonstrate that. So it is not that I am dumping at all on this Bill. Autonomy at our municipal levels should be encouraged. Did this Bill need, or does autonomy equate to simply, "We will allow you to borrow more"? Not necessarily. Did that need to occur at this hour, on this day? Not necessarily. So it brought me back to the justification from the Prime Minister. There is an urgent need here for the twin Towns of Santa Elena and San Ignacio, and we should not ignore it. They need their Town Hall. So I am not dumping on the Bill, or any initiative, genuine initiative, to cause greater autonomy for those municipalities that are fiscally responsible to handle that additional responsibility.

But we need to be clear as to why we are voting today, on what we are voting, on and why. The Town Council of Santa Elena and San Ignacio, and I will be repeating that Town Council because that is the only Council cited. There were no other justifications made in the House from no other Town Councils across this country, as to why they needed this Bill now. It was only that one, specifically, to borrow monies from the government bank, the National Bank, to finish construction of its new Town Hall, since they already started, but they ran out of money. Mr. President, it really should cause any of us to pause and think about that rationale as to why we are here today. It would have been different if there was a citation of a situation, for example, in Punta Gorda with the Town Council, that's it being blocked or delayed by a financial institution, whether to build a road, build a bridge, or what have you. That's not the case though. It would have

been different if an example was also cited from the north, be it Corozal or Orange Walk Town Council, that they have continuously been blocked by financial institutions, and right now they just need x amount of dollars more to complete, but they cannot get it because the Town Council Act does not allow for them to do it. But that was not the case.

So, Mr. President, I think any of us here, who are serious about fiscal management, who are concerned about the heavy indebtedness of this government, who is concerned about the misuse of funds that have presented itself on many news stories, I think, we should, each of us had taken pause to look at the one example cited, why now should we accept it? Why should we accept that justification to cause all of us to be summoned to a Senate Meeting and a House Meeting for that matter? So these are the questions I have then. These are the questions I have since the House and the Senate has been taken out of its traditional recess period for such urgent matters of Santa Elena and San Ignacio Town Council's Town Hall construction that cannot be completed because they ran out of money. Where is the transparency and the accountability involved with even the construction of the Town Hall? Where is the transparency and the accountability that this is how much it was going to cost, this is how much we have spent, we have spent it in so much, we cannot continue, this is just how much more it needs to be done, and this is how we are going to repay it back?

But before we get there, Mr. President, what about that construction? You see greater autonomy will require when you undertake such a project, a capital project of that size, that you put it out to bid. Was it put out to bid? Did you get fair price? So naturally I asked, who's building it? Well, it wasn't put out to bid. Who's building it? Johan Construction and Engineering Limited. Should the Senate be concerned about any conflict of interest? Why is this thing being rushed? Well, if one were to take a look at the registry for business, it's only owned by the brother of the Minister of Works, 80% shares, and 20% by the Minister's sister-in-law. Now I guess that should not cause any of us to pause. Why should it, Mr. President? We accept things like this now apparently. We are good with it because it is what it is, and we don't care anymore. This is not a City Council. This is a Town Council now.

And, as my colleague representing the business sector clearly stated, the original Town Council Act, under subsection 22 (1), (2) and (3), had far greater parameters, checks and balances, to ensure that that type of nonsense doesn't

occur. And I am continuing on the specific example cited for the urgency of summoning the House and the Senate to ram through this Bill in 3 stages. So I will continue to cite my examples as I am not going against Senate Orders on that. What is even more peculiar, and it should annoy us because we are talking about, we want them to do a better job, in this day of globalization and all, and where things are evolving, and Town Councils need to be able to do more. Is the San Ignacio and Santa Elena Town Council doing more? Was that the example given? No. It's just to finish the construction that could not be finished because they ran out of money.

But back to that company, it only got incorporated on February 10, of this year, not five years with a history of construction building, this year. Are we seriously, in this Upper Chamber, going to support and agree with this Bill, when you know that there is a lot going on that was not disclosed? Mr. President, I continue because you don't have to take my word for it. The sign, you know, every municipality puts up these signs when something is being done. It lets you know who is doing it and how it's funded. None of this was done with the San Ignacio/Santa Elena Town Council construction of its new Town Hall, funded by the Santa Elena/San Ignacio Town Council funds and loans from the National Bank of Belize. That's on the sign. I am not making that up.

So I pause, and it should make all of us pause again. Is it then that we are asking for more monies on top of what has already been borrowed from the National Bank? So it's not that they ran out of money, and they need to complete it, and therefore we need to approach a financial institution. No. It is, as per their own sign, at their location of the new construction, which is already underway, that they are being funded already from the National Bank. Having cited this particular Town Council, with this particular urgent need, as the justification for ramming this Bill through its three stages, should we not have then heard something about the amount of monies already borrowed, the ability to repay, what will be used as collateral? Or is it that granting greater autonomy allows this nice little vehicle for the Town Councils and then saddles the government with picking up the tab because they have to guarantee it? This is a very critical point, because I think all of us in this Chamber, certainly all Belizeans by now, know that we cannot afford unnecessary, excessive spending without accountability. And this government cannot undertake reckless spending by any Town Councils without proper check and balances. This is not going to board well for this government and talking about futuristic legislation for future governments.

Mr. President, if we are going to use the buzzword of greater autonomy, let's be true to what it means and what the responsibility that comes with it. It cannot, and by agreeing to this Bill, utilizing that justification and understanding the mess involved with that construction, it cannot mean that this Senate is going to agree because of the buzzword, greater autonomy. That the Councils can just borrow, and there's no check and balance. If any of us have any genuine concern about the professional integrity that we demand of Town Councils and our government, and of ourselves, it should, at least, cause us to pause, and get it right. Get the parameters in this Bill right. That is not what was intended by greater autonomy.

Now, to be clear, it is not that the San Ignacio/Santa Elena Town Council cannot get its construction completed. The current Town Council Act allows for that, for the raising of loans. The government, it spells it out quite clearly and in a very detailed manner on what is required for the Town Council to do it. Now they've been leasing a property for some time now. I believe a year or a year and a half. The next municipal election is about six months away. Surely, the Government and the Town Council, under section 22 of the existing Town Council Act, can come to a reasonable arrangement to have the balance of the funds they require to build that construction hall. It is already provided for in the current Town Council Act. But there lies some of the rug, you see, because the current Town Council Act does specify that all Town Councils, every single one of the seven of them, should indicate what amount of their Town Council funds they will be allocating to repay such loans or guarantees that the government will be making on their behalf. It really does speak to fiscal management, fiscal stewardship and sustainability, things that we really ought to insist that they were doing, things that they ought to have demonstrated, Mr. President, before bringing this Bill to our attention.

So then this then leads me, Mr. President, to the new provision that was not there before. It actually made me pay more attention to the fact that, if this Bill were to go through today, that it would allow Town Councils to establish companies to raise funds for infrastructural development projects. Now, if I were to look at the one example given by the Minister of Finance, the Prime Minister of this country, as to why this Bill, at this hour, must go through, why should I, or any of us, think that there is any capacity for this Town Council to establish a private company to raise funds? We know which company it has given its

construction award to, and none of us should be satisfied with that. Actually what it should do is lead for more investigation to what other contracts may have been given out. But, Mr. President, that new provision is quite similar, quite frankly, to the Belize Infrastructure Limited, our good friend BIL, who has yet to produce an annual audit. Yet, we have sat in this Chamber, approving supplementary after supplementary, has yet to provide explanations for the overruns. But, notwithstanding that, when you look at BIL's Memorandum of Association, clause 3, and allow for me to quote it, it states that, "This state-owned company can construct and design buildings that are not limited to sporting facilities." So it begs the question again. Why are we rushing this Bill, on this day, at this hour, as per the Prime Minister's words, justified by the urgent need by Santa Elena and San Ignacio Town Hall construction?

Why allow seven Town Councils, Mr. President, to establish at minimum seven private companies, when you already have a state owned company that either can right now do it, or with some minor adjustments in its legislation? This is a quantum leap for Town Councils, especially Town Councils, those of which have not produced an annual audit, those whose annual audits that have been produced, which we would never know because this has not been tabled, we had not seen them, are very questionable. That's a quantum leap that this Senate is about to make. And we just do it, as if it's not a big deal and we are blowing things out of proportion. And, yes, the response will be that we have not taken away the oversight because the Prime Minister, Minister of Finance, gets the last say, and he has to approve. Well, let's be honest here. It's far and in between when a Minister, any Minister, gives up that discretionary power that he or she has. If we are to be honest, this Bill could have waited. We could have gotten it right by the Town Councils and for the municipalities that they serve, and then by extension for the government, if we waited and did it with the genuine intent that greater autonomy should have called for. With much respect, Mr. President, Town Councils who perform well should be rewarded with greater autonomy, regardless of which government is in.

And perhaps, Mr. President and colleague, perhaps it's time that instead of rushing a Bill that clearly is not worth the time nor the money spent in printing it, given the justification and the several areas of question and areas for pause, based on that justification, the company that was awarded the contract, a company who the very Mayor of that twin Town said, "No, did not get the contract," he said it back in April, yet, got the contract, a company that clearly either misrepresented

what the thing cost, or why the Town Council can't finish the construction. So, yes, it is that. What this Bill has done, in my deliberation over it, has caused me to ask, Mr. President, perhaps it's time for a real discussion on these seven Town Councils, a real assessment of all seven Town Councils. Have they grown in size, any of them? Are they, any of them, perhaps within the vicinity of size and criteria, say, for example, like a City of Belmopan? Have any of them demonstrated that they can manage fiscally, prudently, that their operational procedures are above par. Or that they can withstand scrutiny by any financial institution, and not necessarily that of the National Bank, but by any financial institution without the guarantee by Local Government? Or that they are now equipped and ready to establish private companies of their own? That's the type of assessment, I think, and discussion one ought to be having on these Town Councils, certainly if we are going to give greater autonomy.

And for those who passed, or for those which passed that assessment, should we not then consider transitioning them into City Councils? No less was done for Belize City. No less was done for the City of Belmopan, anchored by very strong legislation, both of them, City of Belmopan and Belize City Council, by their own legislation that puts in checks and balances. No more than this amount of their revenue can be spent on that, A, B, C, parameters for loans and so forth. Shouldn't that be the discussion really, if you are going to take us out of the recess period, unannounced, without any idea that this was going to be on the agenda? Shouldn't we not really have that discussion in the interest of greater autonomy, in the interest of the Belizean public? But don't come and give us a justification of one Town Council, whose Town Hall needs to be constructed by the brother of the Minister, and who ran out of money that it borrowed from the National Bank. That will not fly.

The point is, Mr. President, the Town Councils who rightfully are operating in a fiscal and responsible manner should be rewarded with greater autonomy. The process for that, both governments have gone through, going from Town to City Council. And if they are not yet ready for that level of autonomy, by all means, improve the existing Town Councils Act for those who cannot get to that level, who are not ready for that level, to assist them with the things that the Prime Minister said, capacity building, so that we know how to put things out to contract, that we know how to report on time, that we look out for some of the pitfalls and that we know how to avoid some of these pitfalls.

So, yes, we should be working with the Town Councils, Mr. President. We should be working with them because, if they do better, we all do better. If they do better, our government will not be burdened with providing guarantees for loans that they could not meet. But this is not what is before us today, Mr. President. And, in all good conscience, I simply don't see how, with so many questions, and only one justification, but so many areas of unknown, if you will, regarding the status of where they are to handle the autonomy that we want to give, how can we agree to support this Bill, in this manner and on this day? It would not have hurt to wait and get it right. Like I said, there has been no clamouring that these are the lists of reasons why. So this could have waited a proper deliberation, and a real Bill for greater autonomy could have been presented. Thank you, Mr. President.

SENATOR M. PEYREFITTE: Mr. President, I get real worried when somebody comes to me and say, "Mike, I don't mean to insult you," because ten times out of ten it leads to them insulting you. "I don't mean to dump on the Bill. How can we not support autonomy for Local Government?" And you then proceed to make every argument why we shouldn't pass the Bill today. Another one is, "Let's not play politics. Let's not go there, Senator Coy," as what Senator Woods just told Senator Coy. But then, Senator Woods, you proceed to talk exactly about politics, and the Minister and the Minister's brother, and all sorts of things. I wonder though, what is the issue that the PUP have with Santa Elena and San Ignacio? What's the issue? Even if a Bill is crafted to solve a mischief in a particular locality, and that's not the sole reason for this Bill. What's wrong with Santa Elena and San Ignacio finishing a project that they started? What's wrong with that? Even if that is the case, what is wrong with that? There's nothing wrong with that.

And the facts of the matter, and why it's very unfair, we are offered certain privileges and protections in this National Assembly, but we all know that when we say things about people they can't defend themselves. They can't even defend themselves in here, much less we can't be held to what we say in here about people outside of this Chamber. So we have a responsibility, Mr. President, to make sure that we are not talking out of turn. There is no National Bank loan for that project. Where did you get that from? That project is set to be completed in September under budget. You would give the impression that, oh, the Minister's brother got a contract. It was put out to tender. It was put out to bid. Several people bided for it. And, if the Town Council felt it responsible enough to go with one of the lowest bids, then what's wrong with that? What's wrong with

that? I mean, what is the point? What is the point? Why all the huffing and puffing about Santa Elena? Why is that the focus of a Bill or an amendment like this? It is because, Senator Woods, if you are going to pass something that benefits Santa Elena, it has to benefit all the Town Councils, all the Town Councils. If it were being passed just for Santa Elena, it would have been the Santa Elena Bill, but it's not. All Town Councils, Orange Walk, I am sure, and maybe that is why Senator Courtenay is quiet, but they should be applauding this Bill because it will finally legalise what they are doing in Orange Walk. But that's no problem. That's no problem at all. If this now allows the Mayor from any Town Council to raise funds for their Town Council, what can possibly be wrong with that?

But you know what, even when you have an amendment, and I get a lot of feeling you know. If the UDP were to find a cure for cancer, the response will be, yes, but what are you doing about AIDS? Nothing! No credit! Nothing! The Minister of Finance is sponsoring a Bill that says, listen, we want to bring the Town Councils up to speed with the City Council. We have enough respect for the people of Santa Elena and San Ignacio and other Town Councils, to allow them to raise their own funds through companies. And, if it creates more BIL, Senator Lizarraga, great. Isn't the Chamber or the business community, aren't you guys on BIL? Man, look at all the things that BIL is doing. Wouldn't we want more Dean Barrow Civic Centers? Wouldn't we want more projects like that? If it happens to create more BILs, then so what? That's good. And then there is oversight. Listen, under the old Act, if the Minister wanted to give permission to the Town Council, it would be the Minister of Finance that would borrow the money. And it would be a first charge on the Council's debt. So what the government is doing is saying, "Look, man, these people in the towns are elected in their own rights, in their own rights. So they must be given some leeway to raise their money and conduct their businesses."

Now there isn't any cause for concern. When you look at the amendment, and it says, "The Town Council may, with the approval of the Minister responsible for finance," amendment 22 (1), "borrow sums required for it for meeting any of its obligations or discharging any of its functions." Senator Woods, naturally there would be an assessment of your performance before the Minister authorizes it. The Minister most naturally will say, "Listen to me, you can raise that money from within your own functions," if you are performing correctly, "so no. I will not authorize it." It's designed for people who need to, or

for Councils who need to carry out works, but through no direct fault of their own can't raise the money on their own to provide the services that they need to provide for their people. What can we do that would please you people on the other side? What? So the Prime Minister crafted a Bill that says, "Subject to subsection (1), the Council may establish companies under the Companies Act, to raise funds for infrastructural development projects." Man, the Council can get people. Companies, there's no secret about these companies. You can go in the Company Registry, and you search, and you see who's there.

The sole purpose of the Bill is to enable the Council to get these companies so they can raise. So what the Central Government is doing is say, "Listen, Councils, you go off and you do your own thing." All that there will be is a check and balance from the Ministry of Finance. That's all. But all of the work and all that needs to be done will be done by the Council. I mean, what on earth can be wrong with that? It's like you are straining to criticize, and listen, there is no need for any special gimmick before any City Council election, you know, Mr. President. The UDP has shown that we don't need any gimmicks. We don't need any gimmicks. We continuously win Town Council. So it's not that. Why does there need to be a gimmick? Senator Woods asked about why now. Why now? Why not now? Why we would not want to rush through a Bill that would help the Town Councils with their independence, their autonomy and their development? Why would we not want to rush that? I really don't understand what the issue is.

And, Senator Lizarraga, man, the sky is not always falling in, my brother. I mean, this may go wrong, and that may go wrong, no kidding. All kinds of things could go wrong. It's called life. Of course, it could go wrong. But that is why there is a process set up that the Minister of Finance must approve, which involves the finance team, which involves the Financial Secretary, which involves sit-downs with the banks and the people from Ministry of Finance. It's not a willing-nilly-back-antitype thing where you just sign here in the dot and the Attorney General don't even know what amount they are signing to. It's not that. This is our government. And there is no secret about what we do, or what we try to accomplish.

So, as I look at these few paragraphs, Mr. President, what, what? And at the end of the day, there was also the Finance and Audit Act, am I correct, Minister Barnett? You are more a finance person than I am. You are a finance person, period. I am not. But, man, that's a natural blockage if the Minister of

Finance becomes involved and the amount is more than US\$10 million, I think. And he has to approve, or he has to okay. You don't have to put it in here that he has to come to the National Assembly. The Finance and Audit (Reform) Act tells you that he has to do that. So what? I really, when I saw this, I thought that we would be going home by 10:30 A.M., Mr. President. What is the issue? I really don't see it. If you look at section 22 (3), "The Council may, either directly or through companies established by it, float bonds or issue shares, or debentures for the purpose of exercising its borrowing powers under this Act. When you float bonds, or issue debentures, no, I don't do that. That's Hallmark. When you float bonds and you issue debentures, what does that tell you, Mr. President? It tells you that the public can then be owners of these companies. The City Council floats a bond, and you, Senator Lizarraga, with your unlimited wealth, can then go and bid. I want to own a piece of this company. I want to buy stock. You, as a private citizen, would have a stake in your Town Council. Through that means you can demand information. You can demand accountability, annual general meetings. I mean, come on. We are so always excited against and we are never excited for. Look at all the good things that this amendment brings to it. You have the private sector, you have the City Council who will have to be qualified, or bring in people who are qualified to raise money so they can do their works. What's wrong with that?

Look at the last section. "Notwithstanding subsections (1), (2) and (3), Minister responsible for finance may advance from the public funds of Belize any sum required by the Council, on such terms and conditions as that Minister may determine." The Minister then can decide, look, and that law already exists in here, yes. But for the need for speed and good governance, which this government has demonstrated, which this Minister of Finance has demonstrated and has proven, those are in place because the competence and honesty and integrity are there. And you can always see the terms of reference, or the terms and conditions of it, through the Freedom of Information Act. There's no secrecy here. The Central Government is interested in telling the Town Councils, "You need to take care of your own business and your own affairs, and we will give you the freedom to do so." That's all it is, nothing sinister, nothing in particular about Santa Elena and San Ignacio, except that it's a very, very beautiful place to visit and live. (Isn't that, Senator Courtenay?) What's wrong with them completing what they need to complete? What's wrong with that?

And, Mr. President, one final point because I promised my sister I

wouldn't be long. I heard Senator Woods, and I don't know if she, only one more hour, and then I'll sit-down, talked about guarantees. There is no guarantees in here, no guarantees. Where do you see guarantees? The Councils will be answerable and accountable for the funds they raise and the projects they do. Now remember, under the old Act, you know, under the old Act, it was the Minister of Finance that did the borrowing and then give the money to the Council, which means, who is responsible? It's the Minister of Finance, Central Government. It's like your parents borrow money in their name to send you to school. In this, what your parent is saying is, "No, I will give you the authority to borrow the money in your own name on your own." That way, when you don't pay it, it is on you. So not only will you be given more freedom but more responsibility as a Town Council. What one earth can be wrong with that? That's it, Mr. President.

MR.PRESIDENT: One second, Senators.

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development 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 E. COURTENAY: Thank you very much, Mr. President. And I want to start by answering my friend, the Honourable Senator Michael Peyrefitte. From our side, there is absolutely nothing wrong with the people of Santa Elena/San Ignacio, and they will show that to you in March 2018. That's a promise. (I will give you more promises shortly.)

Mr. President, as we all agree, this should have been a short meeting. I want to make my presentation short because, first of all, I want to adopt quite a few of the comments and criticisms from Senator Lizarraga, and I won't repeat them in detail, simply to say that this Bill is going in the right direction, but it is going too quickly. We need to pause and do the right thing. And what I am going to say, Mr. President, has to be seen in the context of what the Honourable Prime Minister and Minister of Finance said in the House of Representatives. It was

referred to by Senator Woods, but I will quote him. He says, “It confers greater autonomy on all Town Councils. As the law now stands, the two City Councils are able to do what we are saying all Town Councils should be able to do. This is a blow for equality. This is a blow for greater autonomy. It is a blow for capacity building.” It is noticeable that he did not say that it is a blow for transparency. It is noticeable that he did not say it is a blow for accountability. And Senator Woods has already alluded to why. He went on to say, “So I don’t know how, given all those three considerations, the Leader of the Opposition can have any difficulty. The reason for wanting to pass it all at once today is simple.” I am looking now to see what he says about Orange Walk. I will quote, “The San Ignacio/Santa Elena Town Council”, Orange Walk is not included. “The San Ignacio/Santa Elena Town Council is in the process of constructing a new Town Hall. I don’t see anything about Montero. I don’t see anything about Johan. “I think everybody knows the old place was condemned, and so I think the building has been demolished, and the Council has sold the property.”

Now, “They are trying to pay for the construction of the new Town Council out of their funds, out of their revenues, out of the subventions from government, but that is not enough. So they have gone,” not going, “they have gone to the National Bank of Belize, and they are seeking a loan, and the National Bank, as I understand it, has no difficulty in approving in principle this loan.” They didn’t go to Heritage. “But they don’t have the authority to borrow, the permission to borrow, and the matter is urgent because the construction has started. Now there’s bridging money being provided to the contractor.” By who? We are not told. “All they want is to very quickly, as soon as this is passed, have the National Bank properly examine their application and hopefully approve the loan request.” So, again, nothing sinister, but we know, Mr. President, they are taking us like *cunu munu* because we have the picture here which already shows, “National Bank financing the San Ignacio/Santa Elena Town Council Building.” You are taking the people of Belize to make *cunu munu* when you put up a sign and say that the National Bank is going to finance it and come here and pretend to be so above board and say, “I am hoping that perhaps in principle they will look at it properly and then pass it.” The truth of the matter is that it has been done already. The sign tells you it. There is evidence from that side, their own sign, that the National Bank is financing this. It is against that context, and in that context, Mr. President, that we look at the Bill.

There is no need to repeat, in any detail, the fact that we are talking about

a company that has six months of life that is doing this construction, no history, no record, no proven expertise, politically-connected company that is doing this. And we are now being told, “Let’s do it quick, eyes closed. What’s wrong with the people of San Ignacio?” Absolutely nothing is wrong with the people of San Ignacio, but it is not being done for the people of San Ignacio. It is being done for the person who is doing the building. That is the truth. And that is why there is a need for transparency. That is why there is a need for accountability.

And, Mr. President, I start by looking at clause 22 (1). It says, “The Council may, with the approval of the Minister responsible for finance, borrow sums required by it for meeting any of its obligation or discharging any of its functions.” I will not go into the criticisms that Senator Lizarraga has identified, simply to say that it is the same Minister of Finance who will be granting the approval, has yet to give any approval for the Orange Walk Town Council to borrow money, the same Minister of Finance. So Orange Walk Town Council is not waiting for the Minister of Finance. It is boogieing and doing what needs to be done in service of the people.

Let us look now, Mr. President, at 22 (2), “Subject to subsection (1), the Council may establish companies under the Companies Act, to raise funds for infrastructural development projects.” First point, the Belmopan City Council cannot do this. The Belmopan City Council Act does not allow the Belmopan City Council to set up companies. The Belize City Council Act does not allow the Belize City Council to set up companies. So don’t tell me that this is anything about the quality. It is giving to the Town Councils something that the City Councils do not have the power to do. Senator Peyrefitte says it is an improvement. Senator Peyrefitte, we have to look at the whole picture, you see. We don’t just skim over these things. We don’t just come and say that we will pass resolution to approve a convention without bringing the convention. The question, Mr. President, is this, who are going to be the Directors of these companies? You see, Senator Peyrefitte looked down in the Bill and wants to know. Who will appoint the Directors of these companies? Who will these Directors be accountable to? Who? Who are going to be the shareholders? We are talking about selling shares to Senator Lizarraga and other people. Who are going to be the shareholders? There is nothing in here that says who are the Directors. Are the Directors going to be the Town Council people? Is it going to be people like BIL, anybody who you want, the CEO, the Minister from here, or the Minister from there? We are providing, Mr. President and colleagues, for the

creation of companies by Town Councils without the legislation saying who may be appointed Directors; how Directors are to be appointed; who these Directors are to be accountable to; how shareholders are to be established; how shareholders are to be removed and shares to be sold; etcetera. Mr. President, we have no objection to any municipal body being able to establish companies, as long as the law provides for all the details so that we can know who really are going to be the Directors, officers, managers and shareholders of these companies.

But the real interesting thing, Mr. President, comes to the whole question of accountability. When they form these companies and they decide to float bonds and issue shares and debentures, and I know Senator Peyrefitte has expertise in these areas. Mr. President, how is that decision taken? In the existing legislation, for example, where a Town Council wants to borrow, it says, "Whenever the general interest and welfare or development of any town will, in the opinion of two-thirds of the Members of the Council, be advanced by an expenditure greater than can be met out of the annual revenue of the Town Fund, it may recommend to the Minister." Why do we not put end to this legislation that, if the companies that they are establishing, or the Council that is establishing wants to borrow money, two-thirds of the Councilors must vote in favour of it? Why do we not put that into the legislation?

But more importantly, Mr. President, Members of this Senate, we have to look at what are the accountability requirements of the Town Councils Act as it exist. Senator Barnett, and I will make a little trouble right now. Senator Barnett is more of an expert on this than Senator Hulse. I give her an A, and I give him a B++ on this. Both of them are very well aware and keenly aware of the mechanisms in this legislation, the Town Councils legislation, as it interfaces with the Ministry of Finance, as it interfaces with the Finance and Audit (Reform) Act, as it interfaces with the Auditor General, as it interfaces with the Accountant General.

Under the current legislation, Mr. President, the City Council has something called the Town Fund. And all monies, all revenue, collected by the Town Council goes into that fund. That is how it is managed. You can see that very easily. Section 21, all monies voted by the National Assembly, all monies payable in any manner to the Council, all fines go into that fund. And what happens with that fund? It is a public fund, Mr. President. And section 58 of the Town Councils Act says, "All expenses incurred or payable by a Council, pursuant to this Act or any regulations made thereunder, shall be paid out of the Town Fund and all disbursements therefrom shall be in accordance with

accounting regulations which may be made by the Council from time to time.” So, you have the Town Fund. All money goes in there, and you have all expenses under section 58 coming out of that fund. But guess what? That exists for a reason because, under the Finance and Audit (Reform) Act, the Auditor General is in law required to audit all public funds. This being one, and Senator Lizarraga identified the audits that have been done in Town Councils and the one that’s ongoing in Orange Walk Town Council. Where, Senator Peyrefitte, where in the law is there a provision for the Auditor General to be auditing these new companies that you all are setting up? You see, listen carefully. We are going to go through it, and I want Senator Barnett to identify it. Where is the provision in law for there to be an audit of these companies that are being set up?

You see, calm yourself down. We have been down this road before. We have been down this road before. It was six months ago, six months ago, Belmopan City Council Act was amended. Five years ago, the Belize City Council Act was amended to allow for bonds to be floated, successfully floated. Ask Heritage. But when you look back, Mr. President, for example, I have the Belize City Municipal Bond Act in front of me. It’s interesting to see all the measures that were put in place there, all the requirements set out in law for the Belize City Council and virtually identical provisions set out for the Belmopan City Council to float bonds, virtually identical, but we are not doing it for the Town Councils. We are not doing it for the Town Councils. For example, it was thought necessary by the National Assembly to ensure that a sinking fund was maintained by law by the two cities, if they were going to float the bonds. There is no such requirement in the current legislation, and I know Senator Duncan won’t be lending any money to anybody who doesn’t set up a sinking fund. Why is it that there is no requirement for the Town Councils to have the sinking fund in relation to the bonds floated by law? It goes further, Mr. President. The Central Bank is authorized to manage the sinking fund for the two cities. Why is that not being done for the Town Councils? We go further. The Council may appoint on such terms and conditions as the Council determines a person to act as bond trustee. The law provides for it. Nothing like that is being done for the Town Councils. As Senator Lizarraga pointed out, there is a debt ceiling. None of that is being done.

And then, Mr. President, “The Councils shall maintain complete and accurate records and accounts of all monies received and disbursed from bond proceeds and any transaction involving and related to the use of bond proceeds.”

That is not in the current legislation. What the Belize City Council and the Belmopan City Council law did was to establish an infrastructure fund. And the monies raised from the bonds go into the infrastructure fund, and the law required that the infrastructure fund be audited. And what we are saying, Mr. President and Members, is the very same mechanisms that were used for the cities should form a part of the legislation for the Town Council. They should be required to establish an infrastructure fund. They should be required to establish a sinking fund. They should be required to have mandatory audits of these funds. And more than that, it says, “The Minister shall lay a copy of the reports referred to,” that is the infrastructure and the sinking fund, “before the National Assembly.” Our position is very simple. It is for the Town Councils, when they go off and they raise bonds, monies by bonds, that they should by law be required to do the necessary transparency and reporting for accountability purposes.

Mr. President, Senator Peyrefitte is saying to me it is different because the Belmopan City Council and the Belize City Council are the ones that are given the power to float these bonds. And that is why the law is amended in this way in relation to the Belmopan City Council and the Belize City Council. Well, if that is true, let’s look at what the law, this Bill is saying. It says, “The Council may, either directly or through companies established by it, float bonds or issue shares or debentures for the purpose of exercising its borrowing powers under this Act.” Why is it that a Town Council is being allowed to float a bond in the same way as a City Council is, but the requirements that are imposed on a City Council by law are not being imposed on the Town Council? Why is it? (We will lobby it after March. After March we will lobby it for all of them.)

Mr. President, let us be clear. We need to take a look at section 21, finally. Section 21 is saying that all monies from the National Assembly, all monies from any regulation and all fines, in other words, all money for the Town Council goes into the Town Fund. There is no requirement under the law, as it currently stands, for the monies raised by a bond, by a City Council, by the Town Council, sorry, to go into any specific fund. I repeat, the Bill, as drafted, does not require monies raised by a Town Council through the floating of a bond to be deposited in a specific fund established by law. It is worst. It is worst, Mr. President, because where you form a company that company is not the Town Council, and there is nothing in the Town Councils Act, as it stands, or any amendment to the Town Councils Act, that regulates any account by a company formed by a Town Council.

Mr. President, Senator Peyrefitte uncharacteristically on one occasion is right. This Bill is going in the right direction. Our point is simple. If we are going to do something that is good, let's do it in the right way. And I believe that that is the concern that Senator Lizarraga was voicing, and Senator Woods has been voicing, and that I have been seeking to say. That is to say, these Town Council, yes, need modern and different ways of raising funds, but let us do it in the same way that we have done for the City Councils. Once that is done, we will be unconditionally in support of the amendment to the Town Councils Bill. Thank you very much, Mr. President.

SENATOR S. DUNCAN: Thank you, Mr. President. (Inaudible) And I will make sure that I stay away from that. But I want to suggest and to take up from whether Senator Courtenay left off in that this Bill is going in the right direction. I want to say that the Bill to my mind looks at two things that are already taking place and that have been tested in the system. Certainly, there is the recipients of bonds and, secondly, the efficacy of projects under BIL or the Belize Infrastructure Limited. I know that there is concern, as has been expressed in the Chamber today, around, for instance, accounts of the Councils etcetera. But today those Councils already have accounts within which they get subventions from government. But more importantly experience has shown us that when Central Government, our local government, is setting up a company it creates a legislation to do so. So it might not be proper to suggest that this document before us today, Madam President, is the totality of what will be required. (Inaudible) When BIL was being set up, a law was passed. And we've seen laws passed for setting up BTB or BTL, etcetera. We anticipate that this might not be the totality of it.

What the legislation, to my mind, seeks to do, it helps us to recognize that this government is going in a particular direction, where bonds can be issued, and entities such as BIL can be established. And, from my perspective, why is this good? This is good because it allows the wider public, the average Belizean, to be able to participate in some of the projects that are taking place in our country. It provides us with an opportunity to invest, an opportunity that, in fact, we did not have in the past, an opportunity, Madam President, where these entities now will be able to sell shares and debentures and bonds that the average Belizean can utilize and invest in. We all know that we are very much liquid today. The economy is very liquid. And from that perspective people are looking for ways to invest their funds. And from that perspective alone I feel that it is actually a good

thing to see the new areas we are going into, the Belize City Council issuing bonds that were taken up by the general public and the Belmopan City Council doing likewise. And now we see that it is totally appropriate to extend that to the Town Councils. And I applaud this government for taking that approach. It is not new to our system. In fact, Sir Manuel Esquivel had tried it with BTL, but it was dismantled by the People's United Party.

It is good to see that we are going back in that direction, where regular people can benefit from these income-generating assets in our country. I know the concern was expressed by one Senator that maybe government should not be involved in these kinds of businesses. But we've always had income-generating assets. In fact, it is the income-generating assets that we've had that was sold by the last administration. The BTL's, the BEL's, we've always had those. And there is absolutely nothing wrong with them. What this does is it allows us to build back these types of things. Governments, in many cases, have to take the lead on certain projects that the average Belizean or the regular private sector is not necessarily equipped to do. We have today a project that probably would have been difficult for anybody other than the government to do. I am not saying impossible, but maybe difficult, and that is the Civic Center in Belize City, a beautiful project now that it is there. And now that we have gotten past the construction risk, Madam President, it is a perfect project for government under a separate entity to be able to invite regular Belizeans to invest in it and to benefit from revenues to be generated from these projects that we are coming up with. I am sure that people will prefer to invest in projects and get a return and not just have the government continue to raise taxes to do everything it wants to do, or everything it ought to do, but to create income-generating assets that can alleviate the tax burden, and the users of those assets pay for usage, and, in turn, regular Belizeans are able to benefit from it. So from that perspective alone, Madam President, I strongly believe that the Bill is taking us in the right direction.

I will go further on to suggest that so far we have been hearing comments which would seek to suggest that something is amiss with what is taking place in San Ignacio/Santa Elena, and this Bill is seeking probably to cure some mischief. But, in fact, according to what I understand, Madam President, the construction is to take place with borrowings from the National Bank, and, no doubt the National Bank will undertake its assessment of the project and the risk. But today this Bill is seeking to ensure that the legal framework is being met in order for the National Bank to be able to extend that facility. It seems though that the Bill of

itself is being set out to ensure that the correct path is being followed. There is absolutely no indication that the National Bank has broken the law by extending monies to these people. But, in fact, they are saying, "Let us get the proper legislation in place and then we will lend to you," which seems totally proper. So, while we are trying to suggest that things are amiss, the actual genesis of the legislation is to ensure that we take the right path. The genesis of the legislation is to ensure that we do what is right, and that neither the government nor the Town Council, nor the National Bank, breaks the law. So, from that perspective alone, I would think that it is a good thing. I would surely hope, Madam President, that we do not get a situation where approval for such a legislation, which is seeking to do something that is right by following the right procedure, that we do not get a situation where approval for such a Bill is withheld out of spite, and that would be a tragedy.

There is nothing before us to suggest that anything is amiss. I know we have used a sign which says that it is being financed by the National Bank, and we seem to be inferring from that sign that monies have already passed, and so now the people can't complete, and they have to come back for more money. There is absolutely no evidence to that effect. In fact, I am saying, my understanding is that the National Bank is doing the right thing and is waiting before they disburse funds to ensure that the legal framework is proper. And, to me, that speaks volumes for the way this government chooses to do things versus what we have seen in the past. So, from that perspective, Madam President, and from the perspective that I totally agree that this Bill is taking us down the right path, it creates opportunities for regular Belizeans to be able to invest and share in assets built with public funds. We were never given that opportunity under the People's United Party. They sold all our assets built with public funds to friends and cronies, but not to us. We have not been given an opportunity to buy any interest, any shares, any interest whatsoever, in any of those assets that they sold. This government is clearly taking a different approach and is saying, "We want to do it in such a way that regular Belizeans are able to benefit from the work of the government." If government is spending all this money and has all this money, why should they not allow the rank and file, and regular Belizeans to be able to share in it. And I, Madam President, think that is a very persuasive thing, and on that basis I totally support this Bill.

SENATOR M. COYE SR.: Good afternoon. Madam President, thank you for giving me this opportunity, but I want to begin by responding to the

Honourable Senator Courtenay, when he made that statement in the beginning of his speech that they are going to defeat the political opponent in San Ignacio. And I want to say, on record, to him that there is no way Mr. Matus will defeat Mayor Trapp because of the hard work and the excellent work that he is doing. In fact, let me predict to him that, in this 2018 Town Council and Municipal Election, we are going to win 66 out of the 67 seats. That is what I want you to come back and inform me afterwards.

But, Madam President, I want to inform the nation, of course, that when we come to this Honourable House, and I think that from when we are in pre-school, and we are assigned assignment to do, we must do our homework. If we don't do our homework, we will come here, and there is a word that is used in Creole, I wouldn't say it. We must do our homework before we come here. Why I am saying that, Madam President, is because we continue to hear two words, accountability and transparency. Well, I am glad. But back in Adam's days this did not exist. And I am not referring to the longest history. I am saying just back in the previous administration accountability and transparency didn't exist. I don't even know if that word existed.

SENATOR V. WOODS: I would hope that we are not going to descend the debate into something that really has nothing to do with the Bill.

SENATOR M. COYE SR.: But give me an opportunity. Thank you very much. I know it hurts. Believe me I know it hurts. But allow me to express what I have to express because I believe I also need to express myself. And, Madam President, it seems that the other side do not understand what accountability and transparency is. But, Madam President, I rise in this Honourable House to give support to the amendment of the Town Councils Bill. And I simply want to make it clear as well that I am not even from the town or from the city. I am from a beautiful rural village. But in the south where I live, Madam President, we have seen the developments, and, Senator Woods, I hope you don't need to get up again. You have been to Punta Gorda, and so you know what I am talking about. But it gives us the opportunity, the people who live in the villages, to access the towns. It gives us the opportunity to be involved in sports. It gives us the opportunity to be involved in agriculture. It gives us the opportunity to even sell our products at the market that we produce in the village. So there is no reason why I cannot support a Bill like this.

In other words, the people on the other side are simply saying, “I am your father, I am your mother, and I am not giving you the opportunity as a son.” I mean, my parents did not give me that opportunity. I wish I had. Anyway let me not go that way because that is my personal family. But I am saying that we need to be given the opportunity as a Town Council. Now, Madam President, we quickly stand up to criticize. And I like what Senator Michael Peyrefitte said, if we said that we found the cure for cancer, what about AIDS? Everybody will quickly stand up. Well, I won’t say everybody, but I will say that the other side will quickly stand up. It’s just like what we are seeing here. Senator Woods is talking about the Town Council and that we come here because we want to pass this Bill for the Town Council in San Ignacio and for its construction of its building. But I want to make it clear, that even before the bid, or whosoever was bidding for this contract, it was clear. And that’s why I say that we have to do our homework and research. It was clear that the bid was \$1.1 million, lower than the highest bid that was contracted. I believe, as Honourable colleagues in the Senate, we also have that opportunity, to do our homework and be good students when we come to this Honourable House. We need to also go into these Town Councils and check the minutes and check the records. I mean that information is for the public, I believe. We should be given that opportunity. We should not come to this Honourable House and quickly jump as though we want to fly high and make some false accusations. So I would suggest that we, as Senators, have that opportunity to look at the minutes of the San Ignacio and Santa Elena Town Council.

And they did not run out of money. I heard you said they ran out of money. There is no evidence to show that the San Ignacio/Santa Elena Town Council ran out of money. In fact, they always wanted to borrow. Any Town Council, and municipal council, I believe, in fact, we, ourselves as human beings would want to borrow if we really don’t have. The construction of the building is within the budget as well. So I don’t see any problem, but we have to be careful when we come to this Honourable House and inform the nation of false things. I don’t see it. I don’t see the reason why we should come here and quickly be able to make those comments when we don’t know. And then we talk about the political connection. The other side, they are known for that. You guys are known for that. So there is no reason to quickly jump and want to criticize the good governance and accountability of the United Democratic Party. Probably you don’t want me to go there, but allow me to do that. So, Madam President, as I mentioned earlier, I am in support of this Bill as we in the rural areas would also

want to see infrastructural development in these towns. Be careful with what you wish for! Thank you, Madam President.

SENATOR O. SALAS: Madam President, thank you. I want to give some comments on the Bill in question, and I will make every effort to be concise. A lot has been said already. It's been very interesting to hear, in particular from the attorneys, and I agree, Senator Duncan, it's been very interesting to hear from a legal perspective. I will attempt to contribute to the debate from a non-governmental perspective, from a non-partisan perspective, or even from a citizen perspective. I think I may be the only Senator here who actually resides in a town. So a lot of what I will suggest, the frustrations, the opportunities, I have lived it. I think like all of us, and, yes, thank you, Mr. President. Like all of us here, I will agree, and we will agree that our municipalities, our Town Councils face tremendous challenges in securing the funding required to meet their municipal obligations, their responsibilities. When you look at the Town Councils Act, it refers to control, care and management of street, drains and even bridges within the boundaries of the municipalities. That may not seem it, but it is a tall order, in particular, when we talk about the construction of streets and the repair of streets. So I appreciate that it is important, even necessary, to introduce new funding options, new fundraising options, inject creativity and innovation into how that will work.

This amendment Bill seeks to provide for greater autonomy to the Town Councils for raising funds for capital projects. I must say, and some of my colleagues have mentioned it, there is nothing wrong with increasing autonomy. We want to better equip our Town Councils, to be able to do a better job, the job that they are required to do. As we've heard, with greater autonomy, and I support what has been said from several of my colleagues. With greater autonomy comes greater responsibility, but it's not only that. My colleague, Senator Coy, might not like to hear this because I will say it again. It doesn't only end at greater responsibility, but there's the need for greater transparency and accountability.

We heard from my colleague, Senator Lizarraga, that from the Auditor General's Office we learned that the last financial audit in Dangriga Town Council was 2015, etcetera, right. I want to point out that, and I will say this from this point, that this Bill, this (Amendment) Bill, certainly is a step in the right direction. I will not deny that. I will not argue against that. It does provide some benefits, but it needs to be carefully thought out. And I will say that I don't

believe it has been. It is one particular section that has been amended, but that is linked to several other sections in the Town Councils Act that was not carefully looked at. And, look, I will share that I spoke to a sitting mayor, a sitting deputy mayor and several councilors from different municipalities. I pride myself in knowing a lot of people across the political spectrum. And I treasure that. And what most of them shared with me is that not passing this amendment does not hamper in any way at this point in time. There is time to do a good job with this amendment.

Let me share a few concerns, Mr. President, some observations. I understand that, as it is now, our municipalities survive, several of our municipalities survive on repeated advances from the Ministry of Finance. My understanding also is that revenues are collected mostly in December, except for transport revenues that are collected throughout the year. But what that tells me is that there is a need, a dire need, to consider, to carefully think about, to come up with a Revenue Enhancement Program, which to a great extent involves improving the collection of taxes. My understating is that across several municipalities the tax collection rate is dismally low, dismally low. In the past, and I know this for a fact, Mr. President, because, as an active citizen of my town, I have tried to contribute as much as I can with various Town Councils, with the current and previous, to ensure that, as private citizens, as responsible corporate citizens even, we can help our municipalities to do their work, to repair streets, to construct streets. So I know that in the past and even now some of these tax collection rates are very low, as low as 40%, or 60%. So it behooves everybody, it behooves us, to understand why that is so, to nip that in the bud, to address that. That tells us, that suggests, that there is a lot that needs to be done to improve management of our municipalities, to improve fiscal management.

So what I would have liked to see in this amendment Bill, Mr. President, is robust sound criteria, before any council would be allowed to borrow money, to establish companies in particular, the establishment of companies, and for annual financial audits, independent financial audits, to be undertaken and for these reports to be made public. I stand to be corrected, but among our Town Councils, I can't, I think the vast majority have not made these public. I stand to be corrected. So the point I am trying to make is that with greater autonomy comes greater responsibility and the need for check and balance. A lot has been said up to now, and I don't want to repeat all of those. So I will just say, I will conclude by saying, Mr. President, that the Bill is a step in the right direction, but it needs

to be well-thought-out, and we need to consider that as we deliberate our support or otherwise of this Bill. Thank you very much.

SENATOR P. THOMPSON: Mr. President, I rise to make my contribution in regards to this Town Councils (Amendment) Bill. Last week the Prime Minister in defending this Bill said that it was straightforward and beneficial. Well, as we can see here today in this debate, it is not as straightforward as he would have thought. He also said that it confers greater autonomy. And I would like to speak about this greater autonomy. This amendment states that Town Councils can seek loans and float bonds and issue shares with the approval of the Minister of Finance, the Prime Minister himself. Now, to have autonomy, it means that you are independent, that you are self-governing. So, to have to seek approval from the Minister of Finance, then I believe that is the very opposite of autonomy. That means that Town Councils are not independent, and that power continues to reside in Belmopan. So to say that this Bill gives greater autonomy to the Town Council is misleading, and I would say it's utter nonsense.

Mr. President, in his presentation in the House, our Party Leader questioned the reason why we would want Town Councils to be able to establish companies to raise funds for infrastructure projects for these Town Councils. And he gave an example of the Belize Infrastructure Limited, you know, this company that has spent tens of millions of dollars and is outside the ambit of the Auditor General's Office. The Prime Minister vehemently defended the Belize Infrastructure Limited. And he said that BIL has phenomenally and miraculously transformed this country. Now last year, Mr. President, there was a supplementary budget that came before us for \$15 million, and, out of that \$15 million, \$7 million was for Belize Infrastructure Limited that were already spent, monies that were spent already. And I ask the question, where are the details? What projects are these for? Who is going to get the contract? Did we get value for money? Now to date, Mr. President, we've not gotten that information, not in this Senate, not in this House, nor for the people of Belize. Mr. President, is this transparency? Isn't this a major disrespect to this Senate and to the House and the people of Belize? Is this what we want to duplicate by forming these companies? Do we want to form companies that are outside of the ambit of the Auditor General's Office?

Mr. President, essentially what this Bill is doing is trying to find additional funding for the upcoming municipal elections. And what they are doing is

borrowing to do this because there is no longer the Petrocaribe funds to go to. And so now there will be infrastructure projects. There won't be any projects to try to invest in humans and people, and while this is happening, Mr. President, poverty just goes through the roof. That's all my comments for today. Thanks, Mr. President.

SENATOR E. SMITH: Thank you, Mr. President. I rise, Mr. President, to offer my contributions to this Bill. I know that we've heard a lot, and I've heard people say that they thought we would have been here for an hour and that would have been it. Well, so did I. Unfortunately we are still here. But, Mr. President, just a quick glance at the Bill, and one would say, "WOW! We are moving, and we are doing things that are necessary." But, as has been pointed out by several of my colleagues, when we look at the sections of the Bill and we go through them deeply, we realize that there is certain clarity that is needed in some of these areas.

Now I know that often times we think of the words, accountability and transparency, as, oh, buzzwords. They are in style. So everybody use them. But they are very important words that we need to use, and we need to understand the depths of these words. And so, for me, greater autonomy comes with more responsibility, as my colleague said earlier. And responsibility means that we must be accountable and that we must be transparent in what we do. There is no issue for me in granting these Town Councils more autonomy. Please don't get me wrong. They deserve that. The people of these municipalities deserve that their council should be able to provide better for them. But in doing so, Mr. President, we are to ensure that when this happens that these councils are held accountable for whatever it is, whether they are going to be borrowing, whether they are going to be floating bonds, whatever means they are going to be using, but they must be held accountable, and they must be transparent in what they are going to be doing.

Now my colleague had pointed out with regards to establishing companies, and we look at 22 (1) which talks about "The Council may borrow sums." But, as was said earlier, and we have this same concern, how do we determine what the Councils needs? Are we going to be going by a simple majority? What if we have a Council that is split? There is a possibility. We can have a Council that is made of some persons from the Government side and some from the Opposition side. How do they make decisions as to when they are going to borrow, and how much they are going to borrow? Is it a simple majority? Is it by two-thirds, as was said earlier? So these are some of the questions that we have

that need to be answered. And, for the persons who have the answers, it is easy for you to say, "Look, it's simple. The answer is right in there." Yes, it's in there because you know of it. We don't know it. So we need to ask the questions, and we need to get the clarity.

I am hoping, Mr. President, that we can get to a point where all of the questions that we have are properly answered. And I have been saying from before, excuse me, if we are provided with sufficient information, we can come to this House, Mr. President, and we can make unanimous decisions because this is a Bill that none of us, having given the proper information, would say no to. We see where it is needed. But not having sufficient information then we have questions. And, when we have questions and we ask questions, then we are labeled as though, oh, we don't want progress, and, oh, we don't want to work with the rest of us. That is not the case, Mr. President. We do want to work together. And let me say this, we heard some time ago about Senators now having to court, or this side and the other side must be courting us for support. This needs no courting, Mr. President. If or had all the information been placed here, nobody would have to court anybody.

Now we've heard as well, and it was said, that this Bill is being rushed. We would normally not be here at this time of year. But it makes me wonder, as the Senator representing workers, Mr. President, here we are giving our, or wanting to give our Town Councils more autonomy, and we are going through this. But there has been, from 2014, a Municipal Service Regulations, which was put forth where the workers would have been benefiting. And let me just, if I may, Mr. President, just read something from the cover page that was written by my colleague here, Senator Hulse. It says, "The Mayors Association formed a taskforce to create a set of regulations that will govern the terms and conditions of service for all workers of municipalities with the aim of providing security of tenure for workers," very important. It's a good set of regulations. Since 2014, it has not come to us yet.

Here we are, Mr. President, having a Bill to give Town Councils greater autonomy, where there is, as far as I can see, little accountability and transparency placed into this Bill, and then we have our workers who, as we said earlier, elections will be coming up soon, these workers will be wondering what will happen to them. From 2014, that was put out there. It has not come to us. That is quite important to us. And so I am wondering now whether the ability of the Town

Councils to borrow more, to float, to do more, is of more importance than the welfare of our employees at these municipalities. We could have had both of these things here today, together. And so my plea, Mr. President, and, as I've said, we've heard, and every time we ask a question there is a rebuttal. But let me remind us of one of our favourite quotes, "Fisher man doesn't say his fish stinks."

So I can sit on it and ask all the questions, and you can give me all the answers. It does not necessarily mean that what you tell me is so because it is not written. There are times when things must be written, that it must be in black and white. We hear the saying, "Black people lie; white people lie; black and white don't lie." If it is in here where we can see, where we can read, where we can understand, it makes it easier for us to give full support. And I would love to do that here today, Mr. President. But, as I said, there needs to be more clarity and we have to ensure that whatever we do here is done properly. And so I ask that we consider, having heard all the concerns from our colleagues, that we consider going through and putting those measures into place before we finally say yes. Thank you, Mr. President.

SENATOR DR. C. BARNETT: Thank you, Mr. President. I waited a little bit before seeking the floor because I suspected that there would be questions put that I may be in a position to help, in terms of answering, because, as it turns out, this appears to be a debate about the lending to the San Ignacio/Santa Elena Town Council, and not about the enabling of the Town Councils in general to be able to borrow. I want to talk a little bit about both things. Let me give a little bit of history as to the genesis of this amendment that is before us today and explain why it is really important for it to be done. As we all know, the San Ignacio/Santa Elena Town Hall was declared unfit for human habitation sometime ago. It was eventually demolished. The land was subsequently sold, and it was sold with the intention of having a set of funds that they could begin to consider constructing a new Town Hall. And, because I am a part of the National Bank, I can tell you that the discussion with the National Bank about possibly helping to finance this facility started sometime ago. And, when the discussion started, the staff of the National Bank set out to do the normal due diligence process that banks would go through to determine whether or not a loan is feasible. And so we dispatched the team to work with the team in the San Ignacio/Santa Elena Town Council, to determine, importantly, whether they were managing their business well, whether they were being audited, and whether they have the capacity to borrow.

And at the end of that we realized that the San Ignacio/Santa Elena Town Council was really quite well-managed relative to the other, or to some of the other Town Councils in the country. We noted, for example, that their tax revenues were increasing. We noted as well that their arrears of tax were being collected quite significantly, and they had several programs to accelerate those collections. We noted that they had their audit up-to-date at that time when the conversation started, the last fiscal year was ending 2016, and they had their audit up to that time. And we noted as well that with their plan to use the sale from the building as the nest egg, so to speak, for the construction of the new building that they would be in a position to be reasonably liquid. But, as the conversation evolved, it was clear that they did not want to use all of that fund to go into the building, and, hence, we entered, and this we is the National Bank team, entered into conversation with the Town Council about the scope and the possibilities for a loan. And it is in the due diligence process that the staff of the bank and the legal advisors of the bank realized that Town Councils don't have the capacity to borrow. Even though other Town Councils have borrowed in the past, they really don't have the authority to do so under the law.

And, therefore, in order for this, for the San Ignacio Town Council to be able to do what it needed to do, for the National Bank to be able to be helpful, there needed to be a provision in the law for borrowing to take place. And, as I like to tell people, sometimes it's different in the public sector. In the private sector, you have restrictions on what you cannot do. You can't infringe on one another. You can't rob. You can't steal. You are breaking laws like that. But in the public sector, what the laws tell you is what you can do. And, if it doesn't expressly tell you that you can do something, you cannot assume that you have the authority to do it. And, therefore, the National Bank made the determination that it would not be advancing any money to the San Ignacio Town Council because the Town Council had no capacity to borrow. So, as of today, no money has been advanced by National Bank on this project in any shape or form.

But, because there's been a conversation that's tending towards the approval of this facility, and there's a general understanding that it is a good loan, the project was started to take advantage of the dry season, to take advantage of the fact that they needed to sort through, and on an urgent basis, the facilities, the offices, for the San Ignacio Town Council. The reality is that, if this is not passed, the loan won't be able to be made and the Town Council will not be able to finance the rest of the building as was originally intended. The building would

have to stop, and the costs would accumulate. That's the reality. That's the reality that we have. And there is no reason for it to be delayed because what we are seeking to do is to fix the authority that the Councils have to be able to borrow, and there is really no logical argument to be made for not allowing that to be done at this time.

There have been suggestions of various kinds by my colleagues here this morning. I wanted to be clear, one, that there is no government guarantee for this project. There isn't a guarantee from government. What it is, is an assignation of the subvention. But there is not a generalized guarantee. It is not necessary. It is not a significantly large sum that would require that kind of cushion, and the San Ignacio/Santa Elena Town Council has the capacity to pay under the existing arrangements between government and the Town Council for the regular subvention that they get. So it's an assignation of a portion of the subvention.

The building, as I understand it, is being built with sufficient capacity that they will be able to rent out extra space. So they will be making revenue of the building as well. And let it be, and I really want to be very clear because it was said more than once in here, and I almost got up twice when it was said, no money has been advanced by the National Bank towards this project. Yes, there is a sign there, and that sign reflects the cooperation, and, in fact, the National Bank staff have been helpful in terms of looking through all of the Town Councils' affairs. The same way when banks lend to customers and they go in, and they look into their affairs to see how things are being managed and make suggestion, well, the same process happened. And so we've been, the National Bank and the San Ignacio/Santa Elena Town Council, we have been in discussion and agreement in principle that we want to do this together. And that is why you see that sign up, but you don't see anything that says the National Bank has put any money forward as yet because we can't. That would be illegal. We can't. The San Ignacio/Santa Elena Town Council, they can't take money on loan without committing an illegal act. Other Town Councils have done it, but that doesn't make it right. This will help to cure those where that may be happening. So just let us be very clear about that.

In terms of what happens with the funds, I know a lot has been said about subsection (1), under 22, about establishing companies and that taking it outside of the purview of the Town Fund. And let's be clear. The Town Fund for the town is equivalent to the Consolidated Revenue Fund for government. It's the same

thing. It's not a bank account set up somewhere. It's just all the monies earned by the Town Council from any source, from wherever it may be. It goes into what they call a Town Fund, the same way government's money goes into the Consolidated Revenue Fund. This ability to establish companies under the Companies Act is subject to subsection (1), which requires the Minister of Finance to give approval. And it is in that approval process that it would be determined how these companies would be set up, if it eventually becomes, and remember this is enabling. This isn't telling the Town Councils to go out and establish companies. This is, if this should arise sometime in the future, they are able to do that. It is not saying that they are going to be doing it now, or tomorrow, or even next year. The decision on whether or not that would be allowed, would be determined in the same way that the Minister of Finance would consider whether or not any loan facility is one that would be supportable. You would have to look at all of the factors surrounding any proposed credit facility before giving approval.

And I know my colleague, Senator Thompson, says this is not autonomy. Full autonomy, town, from city, from national, is not doable. And I will explain why. It is because no matter which way you cut it borrowing by the towns, by the municipalities, is included in what we call general government borrowing. It's an indicator that is very important in determining the overall debt of the country. And there is not a country, certainly in the Caribbean, that would allow its Town Councils to borrow without the knowledge and approval of Central Government because at the end of the day all of that together is taken into account in what we call general government borrowing. The increased autonomy that we are seeing is in the capacity to borrow in your own name. There was no capacity to borrow in your own name as a Town Council. Government would have had to borrow and then make those funds available to the Town Council. Now the Town Councils will be able to do their own homework, determine what their needs are, discuss with a financial institution, put their case to the Ministry of Finance, as was done in this case, and then get the approval to proceed. But full autonomy, not having a word with Central Government who at the end of the day would be ultimately responsible, whether or not you see it that way it is accounted for in that way in the debt profile of the country. That's the reality, but this is a step in giving greater autonomy and a degree of autonomy that is seen to be appropriate to the nature of our government system and to the situations that arise in our country.

And there was one other section, or there was one other issue that was raised, I believe, by Senator Courtenay, about the ability of the Auditor General to audit private companies. Statutory Boards and private companies established by government, all have in their statutes provision for auditing. If somebody would fall down and knock his/her head and put a law in that it does not have that provision, the Finance and Audit (Reform) Act gives the Auditor General the authority to go and audit anything that belongs to government. It's in section 22, I can't remember the subsection, but anything that belongs to government, anything that's bought with public resources, anything that generates revenue, they have that authority. And that authority is only not directly exercised. If the law under which they are established provides for an audit process, so, you know, Central Bank has its own audit process, BTB has its own audit process. They all have, and they all do their audits, and those audits are laid on whichever table they are supposed to lay on. If they don't come up here, oh, yes, Senator Peyrefitte is telling me it's Section 12 (1) of the Finance and Audit (Reform) Act, which gives more specific powers to the Auditor General.

Okay, so I think, Mr. President, I have sorted out my little bits of paper here. And I think I have added, and I have looked at all of the questions that were raised, or issues that were not accurate in relation to this borrowing, that the Town Council in Santa Elena wants to do. And let me just say that, although the borrowing by the Santa Elena Town Council is the instance on which this matter is arising, it's a general provision that will serve the Town Councils well as we move ahead. Now history is a hell of a thing. I happened to be involved many years ago in a process that was happening through the Ministry of Local Government to enhance autonomy, to provide training to all of the Town Councils. There was a UNDP project and a World Bank Project. There's been a lot of effort made in this country under all administrations for the last, at least, 15 years, to improve the ability of Town Councils and the City Councils to manage their affairs. Much has been achieved, but I will be the first to tell you that there is a lot more that needs to be done. You cannot wait for perfection. You have to deal with the issues that are critical at a point in time.

I am aware, because I asked, that the Ministry of Local Government is in the process of reviewing all of the Acts because there are various things that do need to be done with all of the Acts. And so we will look forward in another, maybe next year or the year after, I don't know, for some further work to come to the National Assembly in relation to the role, function, responsibility,

accountabilities, of the Local Government authorities in our nation. And I look forward to that, and let us continue to strengthen the Local Government authorities as we move ahead. Thank you very much. I don't even have to say that I support it, right. I do.

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Mr. President, normally I would just say I move the question because it's that, but I have to add a little piece, quick. There is an Act that was in Committee, I think it was 2009 or 2010, called the Municipal Councils Act. It is still there. When I became Minister of Local Government, the first question I asked is, why we haven't advanced this? And it turned out that the Mayors Association, which is a very dynamic and vibrant association, and at the time it had the participation of two Mayors from the Opposition, People's United Party, Mayor Fuentes and Mayor Bernard who were actively involved. So I must say that association, or the meetings were attended by all Mayors and their supportive staff. And in the normal way I do things I spent the whole time with them, all day. Sometimes we had 4 meetings, to be exact, like 8 hours, 9 hours, going through clause by clause, brought in all sorts of people from the Solicitor General's Office and the Attorney General's Ministry, their own administrators, etcetera. That is the Bill that my colleague just referred to. It is still a work in progress because there were many things that were grey areas. You have some very, very strong Mayors, and I don't mind calling them. Mayor Bradley is one of them. Mayor Bernard is one of them. He would say, "Look, man, I can't agree with this." And so, in the spirit of trying to work forward, that is in its morph. It's still going. It's still going. This particular clause, if one cares to look, is almost lifted identically out of that draft. It's like a sucking out of it to enable a situation. Had that Bill come, we wouldn't be debating this at all.

In reference to what Senator Elena said, Senator Smith, with the regulations, the regulations will not come to the Senate or the House to be debated as such. It will just be laid on the table because it is subsidiary legislation. Those regulations are also the work of the collective group of Mayors. And, in fact, there was a big To Do when they completed it. We had a ceremony at the Belize Elementary Auditorium. All the Mayors were there. There was flag flying and music playing, literally. But the Attorney General's Ministry at the time said, because these are collective regulations spanning 3 Acts, the Belmopan, the Belize and the Town Council Acts, and even though all the Mayors agreed, there was some legal difficulty in doing that, and they preferred the same regulations to

be coming independently from the various Acts. Remember the regulations are made by the Town Councils. They are not made by Central Government, or the Minister. The Mayors agreed at the time that, since the draft for the Municipal Councils Act was well-advanced, they would hold the regulations because the regulations would simply dovetail onto that Act. So you would have a neat fit of a new Act with those attendant regulations. That is the reason why they are there. I am no longer the Minister of Local Government. So I really can't speak to what's happening there and who is pushing or not pushing. But I do know, in the department, there are some extremely competent people in the person of Mr. Eugene Palacio, who is the daddy of Local Government. He's been there forever. In fact, long before I ever knew I was going to be a Senator, he used to invite me to make some interventions from a technical point of view. He is a very dedicated man. And you have Mr. King. And, as Senator Barnett said, there have been all sorts of interventions, from UNDP, to try to get this going.

The provisions in this Act, as it is, because it's not the whole Act that is being repealed. It's only section 22 being replaced. There's a provision at section 23 (4), which says, "A Council may from time to time make regulations prescribing the manner in which the accounts of the Council are to be kept and disbursements made, and for the audit of the accounts of the Council by auditors duly approved by the Council." I single in on that because, in the redraft, it was thought that this was too weak, "may make regulations," when and if, and have they done any? This means there is none, or could be none. And to strengthen that to say, "shall make and prescribe." So those are some of the changes in the redraft which has been taking like 6-7 years, but I just cited that. But beyond that there are regulations for the conduct of meetings, etcetera. So when we see section 22, being repealed that says two-thirds of the Councils or Councilors "shall by resolution determine," if you go to the section that says they make regulations for the conduct of their meetings and quorum, etcetera, it implies that. It is not just the Mayor that is going to walk off one day and say, "Oh, we will do this, and do that."

But what the amendment generally tends to do is to do the following. If you use, and I think Senator Courtenay alluded to it a little bit, he has been very magnanimous today without going into deep politics, and I am happy for that. He alluded to Orange Walk. The problem with Orange Walk, for example, is, you can and sometimes have a situation, and in this case you have a situation where Town Councils and Central Government are of different persuasions. Let me use that

term. And, since it's Central Government currently under the Act, before the amendment, that will borrow the money to lend to the Town Council, it handcuffs the Council. No matter how good they may want to do something, Central Government says you cannot do that. It reminds me of a piece of legislation, and I was really trying to think about it. Senator Courtenay may remember it. I can't. It's not from our parliament, but from the English Parliament, where under Maggie Thatcher, as Prime Minister at the time, and Kinnoek, I think it was, who was the Opposition Leader at the time, he got up and he said, "I support the Bill fully. There is absolutely nothing wrong with this Bill. I mean, I could not find anything no matter how I tried," he says, "But, Mr. Speaker, I cannot vote for it because I cannot entrust such a good piece of legislation into the hands of those currently managing." We have that kind of anomaly. So, as a consequence, governments may very well say, "We can't entrust it to that Council." What this does is to decouple the Council because the Council can now go in its own right and do, and it still needs the approval of the Minister, but the Ministry will not be borrowing and putting it, so to speak, on the Consolidated Fund and giving the guarantee. It is progressive, and I haven't heard anybody today say that the piece of legislation is not progressive. It's definitely not regressive. And everybody used the term step in the right direction. Some people wanted to throttle it. We are saying, "Let's move forward, as part of the general overall reform."

And, yes, there are the checks and balances in place. Checks and balances in this country have gone light years. I am one of those Senators who remember the terrible fight we had in the earlier days. That is the reason for the Finance and Audit Act and all of the rest of things, secrecy, not knowing, etcetera and etcetera. You know, the President of Taiwan, when he visited some time ago, in this very Chamber, said that in Taiwan they had these little gadgets that parents are giving to their children so that they could know if their children have entered the schoolyard and where they are at the time. Everybody has that now. And he made the joke and said that wives were asking if they didn't have any for husbands. Well, the truth of the matter is, back in those days you could say, "I am there," and, if they call you, you said, "Man, I am at a meeting." But your very, very, very important second part of you may say, "Well, let me say so and so." And the camera will say exactly where you are. In fact, now I even see people flying and a little thing say, "leaving New York to come to Miami," and "leaving to come to Belize." I am glad that doesn't come up for me because it is open. So there's nothing anymore that is secret. There is nothing that people don't know.

And, in terms of construction, I will say this, man, please, let us be again magnanimous, and I have heard the name of contractors of the Minister doing this building and implications may be that he is not qualified and all the rest of things. I won't go there at all because I will say in this Chamber that I have worked with lots of people in construction and engineering, etcetera. And I will say this, again, and I have said it before, my Honourable colleague here, Senator Lizarraga's brother, Pete Lizarraga, who happens to be married to my first cousin, in case you all didn't know, right, is a contractor who has gotten job to work in this municipality, building the stadium and now building a wonderful street from University right up, coming up, to where Wing Stop is. And he is doing a wonderful job. So I will not cast aspersions on people because they happen to be of one political persuasion. Let competence reign. On that matter, Mr. President, I move the question.

MR. PRESIDENT: Honourable Members, the question is that the Bill for an Act to amend the Town Councils Act, Chapter 87 of the Substantive Laws of Belize, Revised Edition 2011, to make provision, for greater autonomy to the Town Councils for raising funds for capital projects; 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.

SENATOR E. COURTENAY: Mr. President, I call for a division.

MR. PRESIDENT: Clerk, can we do a division please? Senator Courtenay, in future reference, I think we have done it already. You could signal earlier so that we don't have to go through this process again.

SENATOR E. COURTENAY: I don't understand you, Mr. President.

MR. PRESIDENT: I just said that for next time you notify me a little earlier for the division that you are requesting.

CLERK: A division has been called on the Town Councils (Amendment) Bill, 2017.

The Senators voted as follows:

Senator Godwin Hulse	-	Yes	Senator Dr. Carla Barnett
	-	Yes	
Senator Michael Peyrefitte	-	Yes	
Senator Macario Coy Sr.	-	Yes	Senator Stephen Duncan
	-	Yes	Senator Aldo Salazar
	-	Yes	Senator Eamon Courtenay
	-	No	
Senator Valerie Woods	-	No	
Senator Paul Thompson	-	No	
Senator Markhelm Lizarraga	-	No	
Senator Rev. Ashley Rocke	-	Yes	
Senator Elena Smith	-	No	
Senator Osmany Salas	-	No	

MR. PRESIDENT: We have seven (7) Senators who voted “Yes” and six (6) Senators who voted “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 Bill that was 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. **Resolution Authorizing the Ratification by Belize to the Protocol Amending the CARICOM Agreement on Social Security Motion, 2017.**

Motion in its entirety agreed to.

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

2. **Resolution Authorizing the Ratification by Belize to the Amendment to Annex III of the Agreement Relating to the Operation of the CARICOM Development Fund (CDF) Motion, 2017.**

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. **Town Councils (Amendment) Bill, 2017.**

Clauses 1 and 2 agreed to.

Bill to be reported back to the Senate without amendment.

PUBLIC BUSINESS

A. GOVERNMENT BUSINESS

IV MOTIONS

(Adoption of Motions)

1. **Resolution Authorizing the Ratification by Belize to the Protocol Amending the CARICOM Agreement on Social Security Motion, 2017.**

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Mr. President, the Constitution and Foreign Affairs Committee has met and considered the Resolution Authorizing the Ratification by Belize to the Protocol Amending the CARICOM Agreement on Social Security Motion, 2017, 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 the Senate authorizes the Government of Belize to ratify the Protocol, a full text of which is hereto annexed.

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

2. **Resolution Authorizing the Ratification by Belize to the Amendment to Annex III of the Agreement Relating to the Operation of the CARICOM Development Fund (CDF) Motion, 2017.**

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development

and Immigration): Mr. President, the Constitution and Foreign Affairs Committee has met and considered the Resolution Authorizing the Ratification by Belize to the Amendment to Annex III of the Agreement Relating to the Operation of the CARICOM Development Fund (CDF) Motion, 2017, 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 the Senate authorizes the Government of Belize to ratify the Amendment to Annex III, a full text of which is hereto annexed.

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

V REPORTING AND THIRD READING OF BILL

1. Town Councils (Amendment) Bill, 2017.

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Mr. President, I rise to report that the Committee of the whole Senate has considered the Town Councils (Amendment) Bill, 2017, and passed it without amendment:

Mr. President, I 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 Town Councils Act, Chapter 87 of the Substantive Laws of Belize, Revised Edition 2011, to make provision, for greater autonomy to the Town Councils for raising funds for capital projects; 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.

Bills read a third time.

ADJOURNMENT

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Mr. President, I move that the Senate do now adjourn.

SENATOR O. SALAS: Yes, Mr. President, thank you very much for the opportunity to share some thoughts. I promise you that I will be brief, and I will keep my promise. I want to share some thoughts related to our political democracy and the importance of our voting system when it comes to that. I must say that the community that I represent issued public statement expressing concern about the deferral of the re-registration of electors. I was personally criticized by our Prime Minister, no less, for some statements that I made. I want to go a little further in relation to the concerns that the community that I represent put out in the public.

This is a matter, Mr. President, that should be of concern to every single Belizean, in particular, every Belizean of voting age. When we talk about the tenets of a political democracy, we are talking about several very important matters. We talk about, and we need to refer to our voting system which includes the right to vote, freedom of expression, and the availability of choice between parties. I believe you can say to a great extent that has progressed. We have more than two to choose from. There is a free and fair election process, which should result in a legislature that is supposed to be representative and accountable. Free and fair election process, I want to, and I will refer to a couple sections of our Constitution that speak about the will of the Belizean people. The will of the people shall found the basis of government in a democratic society, the will of the people, and, in relation to that, our Constitution guarantees us the right to vote in elections. This leads me to the point, Mr. President and colleagues, about fair elections. And this is very important to us in the NGO community because, other than just participating in our Village Council elections, Municipal elections, Town Council, City Councils elections, and general elections, we may very soon be asked to participate in a plebiscite, a national referendum on the ICJ vote, that is coming. So it is very important. It is very important that we get it right, not only who votes. It has been almost a generation, Mr. President and colleagues, since our last re-registration exercise. A lot has changed.

And this leads us to also think about, and I am not seeing this with a red lens, or a blue lens, or any partisan political lens. I am seeing this as a Belizean. This has a direct bearing on our electoral division. Our Constitution stipulates, provides, that we shall have no less than 28 electoral divisions. At this point, we all know that we have 31. But what I wanted to leave with this, you know, here in the Upper Chamber, a couple figures that should concern all of us. If we look at the latest figures from our Elections and Boundaries Department on the number of

registered electors, and we compare that to the latest figures of our estimated population 2017, from the Statistical Institute of Belize, I believe the latest full census was 2010. So these are estimated figures. Amongst these 10 Belize City electoral divisions, there are just over 44,000 registered electors. According to our estimated census data, Belize City has just over 62,000 people. What this indicates is that 71% of the Belize City population is of voting age. That immediately lets me raise my eyebrows; 71% of the Belize City population is 18 years or older. We know that we have a young population. Young meaning under 18. So the way I look at it, Mr. President and colleagues, nowhere in the world can I be comfortable, or comfortably accept that only 29% of the Belize City population is under the age of 18.

And just one more electoral division I want to refer to, you know, Dangriga, 6,352 registered electors of a 10,000-plus population. Almost 62% of the population of Dangriga, this is telling me, is not only over 18, but registered to vote. That in itself, to me, and it should be to every one of us here, is alarming. Our Constitution is ample authority to the Elections and Boundaries Commission. The Representation of the People's Act refers to how often we should have re-registration. It was 10, then 15, and now 20, extended yet again.

I must say that I am amazed at why among our political parties, among the other sectors represented here, this hasn't gathered more concern, more traction, more consistent concern, expressed out there. I, wherever I travel, I take pride in the fact that I come from a democratic country. But I will be the first to say that there is a lot we can improve, and we must continue working at improving, which is why it is so important, so very important, that we take heed in the potential risk that we face to undermine some of the very tenets of our political democracy. So, when we speak about the importance for re-registration of our electors, we are referring to the need to continue clamoring for and representing good governance in our institutions, in our government.

I, and very briefly, Mr. President, with your permission, congratulate the Prime Minister and his Cabinet for committing to legislate the moratorium on offshore oil. We at our Belizean core of NGO's, NGO Community that I represent, we passed a resolution in support of that, but also saying that before anything can be lifted it should go to a referendum.

MR. PRESIDENT: Senator Salas...

SENATOR O. SALAS: Yes, Mr. President.

MR. PRESIDENT: Senator Salas, I think we spoke about that and I take the congratulations, and you slipped it in, but you are trying to get more into it, okay.

SENATOR O. SALAS: I move to conclude.

MR. PRESIDENT: Please conclude. Thank you. And please stick to the point that you asked for, okay.

SENATOR O. SALAS: Yes, I am sorry, Mr. President. But the point I wanted to make is that we will be called sooner, at some point in the not too distant future, to participate in a national plebiscite, in a national referendum, and it is therefore incumbent on us that our voter's list has been refreshed, it's updated, and it reflects our situation now 20 years later, very long time. So to conclude, Mr. President and colleagues, I will just reiterate that, in speaking to the nation as well that we must all accept, we should all recognize the importance, the importance of the re-registration exercise. Thank you very much.

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Thank you, Mr. President. Just a few views, Senator Salas' concern on re-registration and elections is well taken. It's a concern that the government has agreed to address, and there will be registration next year, as I understand it. But I think he speaks to a deeper issue, and that is at the disproportionate nature of our representation. This is something Senator Courtenay and I, when we worked on the Political Reform Commission, tried desperately to fix. In fact, we had looked at a unicameral Senate, a unicameral Assembly, with a mixed-member-proportionate representation. This is a child of the first-pass-the-post system. That is why you can have a representative from Fort George or Queen's Square, where the total population of the electorate there is far less than the loser in Stann Creek West. That is the disproportionate nature of the first-pass-the-post system. One only needs to ask the famous, now famous President of the United States, Donald Trump, who won but lost the popular vote by some so-called, so-said, 3 million votes which, of course, he disclaims. But that also is brought about by this first-pass-the-post system. So he won the

constituencies, but the overall popular vote he lost. There needs to be work in that area, and I have forever argued, and I will die arguing, and that one of the anomalies of the system is proper representation for each and every elector. And that can only be satisfied when one decides to move to a proportional-represented-electoral system and preferably for this Upper House, Mr. President.

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 unanimously have it.

The Senate now stands adjourned.

The Senate adjourned at 1:42 P.M. to a date to be fixed by the President.

PRESIDENT
