

BELIZE

No. 13/1/13

SENATE

Monday, 27th March 2017

10:00 A.M.

Pursuant to the direction of Mr. President, in writing, dated 24th March 2017, the Senate met in the National Assembly Chamber in Belmopan on Monday, 27th March 2017, at 10:00 A.M.

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Members Present:

Senator, the Honourable Lee Mark Chang – President
Senator, the Honourable Godwin Hulse – Leader of Government Business
and Minister of 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 Roche
Senator, the Honourable Elena Smith
Senator, the Honourable Osmany Salas

MR. PRESIDENT *in the Chair*.

PRAYERS *by Senator Rev. A. Roche*.

ANNOUNCEMENT BY THE PRESIDENT

MR. PRESIDENT: “Honourable Members, by letter dated 24th March 2017, Cabinet’s recommendation has been signified to the following:

1. General Revenue Appropriation (2017/2018) Bill, 2017;
2. Central Bank of Belize (Amendment) Bill, 2017;
3. Customs and Excise Duties (Amendment) Bill, 2017;

4. Stamp Duties (Amendment) Bill, 2017;
5. General Sales Tax (Amendment) Bill 2017;
6. Environmental Tax (Amendment) Bill, 2017;
7. Protected Areas Conservation Trust (Amendment) Bill, 2017;
8. Statutory Bodies (Development Contribution) Bill, 2017;
9. Sale of Government Shares in Belize Electricity Limited Motion, 2017;
10. Government of Belize – Amendment to Terms and Conditions of the GOB U.S. Dollar Bonds due 2038 Motion, 2017;
11. Fiscal Policy, Budget Proposals and Fiscal Strategy Statement and Reports Motion, 2017; and
12. Official Charities Fund Motion, 2017.

BILLS BROUGHT FROM THE HOUSE OF REPRESENTATIVES

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): A pleasant good morning, Senators, colleagues, Mr. President, I rise to take charge of the following Bills:

1. General Revenue Appropriation (2017/2018) Bill, 2017;
2. Central Bank of Belize (Amendment) Bill, 2017;
3. Customs and Excise Duties (Amendment) Bill, 2017;
4. Stamp Duties (Amendment) Bill, 2017;
5. General Sales Tax (Amendment) Bill 2017;
6. Environmental Tax (Amendment) Bill, 2017;
7. Protected Areas Conservation Trust (Amendment) Bill, 2017;
8. Statutory Bodies (Development Contribution) Bill, 2017;
9. Criminal Code (Amendment) Bill, 2017;
10. Evidence (Amendment) Bill, 2017;

11. Indictable Procedure (Amendment) Bill, 2017; and
12. Parole Bill, 2017.

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

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

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

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. Sale of Government Shares in Belize Electricity Limited 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**, on the 20th June 2011, the Government of Belize acquired 48,473,737 shares in Belize Electricity Limited (BEL) representing 70.2% of the issued ordinary share capital of BEL;

AND WHEREAS, one of the objects of the acquisition was to restore the control of BEL to Belizeans;

AND WHEARAS, under a 2015 Settlement Agreement with the Fortis Companies the Government of Belize (GOB) returned some 22,984,662 shares to the Fortis Companies leaving 25,489,075 shares retained by the GOB;

AND WHEREAS, the Belize Social Security Board (BSSB) separately holds some 18,580,028 share in BEL;

AND WHEREAS, the aggregate holding of shares by the GOB and BSSB together represent some 63.8% of the issued share capital of BEL;

AND WHEREAS, in fulfillment of the said objective, the Government intends to sell a portion of its shareholding in BEL amounting to 3,000,000 shares to the Belize Social Security Board at a price of BZ\$5.00 per share;

AND WHEREAS, after the proposed sale of shares the aggregate holding of shares by the GOB and BSSB would remain unchanged at 63.8% of the issued share capital of BEL;

AND WHEREAS, combined shareholding of both the GOB and the BSSB is well above the 51.0% holding required for Belizeans to have controlling interest in BEL;

AND WHEREAS, section 18(1) of the Finance and Audit (Reform) Act, Chapter 15 of the Laws of Belize, Revised Edition 2011, read in conjunction with section 22 (1) thereof, provides that the Government shall, before disposing of any public assets of or above the aggregate value of two million dollars, seek the comments of the Contractor General, which shall be submitted to the National Assembly, before the disposal of the assets is effected;

AND WHEREAS, the aggregate value of the intended sale of shares by the Government will be well above the threshold of two million dollars;

AND WHEREAS, the Government has, accordingly sought the comments of the Contractor General who has issued a Certificate in terms of section 18 (4) of the said Act (a copy of which is annexed hereto), confirming that the proposed sale by the Government of its shareholding in BEL would be in the national interest;

NOW, THEREFORE, BE IT RESOLVED that this Honourable House, being satisfied that the intended sale by the Government of Belize of a portion of its shareholding in BEL amounting to 3,000,000 shares would be in the national interest, approves and confirms that the Government may dispose of its said shares in BEL as proposed above.

SENATOR M. LIZARRAGA: Thank you, Mr. President. Mr. President, before I begin my presentation today, I ask you for a few minutes indulgence for me to comment and convey my condolences to the family of Officer Marvin Locke who was murdered over the weekend and to the families of the other victims. I understand unofficially that there were six other murders this weekend. Mr. President, we have been experiencing in this country sadly an urban terrorism, and in this terrorism what is scary is that we have utter silence from the police. We all have a role to play in the development of our nation, Mr. President, and a free press is one of the major pillars of any vibrant democracy. Our citizens and all must begin to realize that we play a vital role in the development and economic development of our country, Mr. President. And all of these things do nothing, these murders do nothing, to attract more tourist, to give confidence for people to come to our shores, or for people to invest. It also kills our economic activity in the city, in the villages and in the towns where the people are afraid to come out at night. So I would hope, Mr. President, again, that we all seriously contemplate on what has happened this weekend. Lives apparently have very little value, and that we all do what we can to ensure that Belize does not continue down this path of terror. Thank you, Mr. President.

Mr. President, if you would allow me, I'll give some few comments on the Motion before us this morning. There are several concerns, but my concerns primarily stem, Mr. President, from the fact that we see that our investments, and I am talking about two investments now. We are talking about the investment from the Government of Belize whose investments in BEL will now be \$112 million approximately and SSB's whose investment will increase from \$92.5 million to \$107 million. But, speaking only about the investment by the Government, it is worrisome to see that we have invested some \$557 million and counting because the final tally has not been in on BTL. We have investments of over a hundred million dollars in BEL, and, if we look at the budget book, at page 21 of the budget estimates, we will see that where last year it was projected that BTL would have returns through dividends of \$10 million, rising from about \$8 to \$10 million, this year we are seeing that both the investments in BTL and BEL will only be yielding us \$10 million. And I believe that that merits some serious explanations because we made \$10 million, and the estimates were \$8 million for 2016/2017. The expected outturn was \$10.1 million. This year we are saying \$10.4 million. So in 2018/2019, we are saying \$10.6 million, and, in 2019/2020, we are saying \$10.8 million. If we look at last year's budget book, these were more or less the figures that we expected to earn only from BTL. Last year BEL was not included. So one begins to question and one begs, where and how are we realizing our return and substantial return to merit the investments in these utilities? Where is the return on our investment? If we are realizing \$10 million and we have invested close to \$700 million, by the time we are done, we will never ever finish paying for these utilities.

In my presentation today on the budget, I will speak on that matter, reference the returns on the investment on the BTL. But it is extremely alarming to see that the returns through dividends remain stagnant. There is not any significant increase in revenues from both these entities now for the next four years. So perhaps at some stage we can be provided with a return on investment study that clearly shows us that these investments were, in fact, good investments. And why is this important, Mr. President? It is because today we see that we are in the midst of a serious tax hike. The Government proposes to earn over \$100 million more from new revenues this year. And certainly a huge portion of that is because of this indebtedness that we've gotten into for the utilities.

I ask, again, that perhaps some clarity, some study can be presented to the Belizean people justifying once again and indicating somehow when we will have a return on these investments. When will we see the light because these investments have been touted as good and that they will pay off in the long term? Well, all of the studies that we have done have showed quite the opposite. Thank you, Mr. President.

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

MR. PRESIDENT: Honourable Members, the question is **NOW, THEREFORE, BE IT RESOLVED** that this Honourable House, being satisfied that the intended sale by the Government of Belize of a portion of its shareholding in BEL amounting to 3,000,000 shares would be in the national interest, approves and confirms that the Government may dispose of its said shares in BEL as proposed.

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

2. **Government of Belize – Amendment to Terms and Conditions of the
GOB U.S. Dollar Bonds due 2038, 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 Government of Belize is currently engaged in an exercise to amend the Terms and Conditions of the Government of Belize U.S. Dollar Bonds Due 2038, herein after referred to as (the “Securities”), with a view to achieving a sustainable debt position;

AND WHEREAS, the proposed key amendments include the following:

Proposed Amendments

If the Proposed Amendments become effective, the following modifications will be made to the terms of the Securities.

1. Designation

Original Terms

Paragraph 1 of the Terms and Conditions of the Securities currently designates the Securities as:

“U.S. Dollar Bonds Due 2038.”

Amended Terms

As amended, that designation would read:

“U.S. Dollar Bonds Due 2034.”

2. Modification to the Interest Rate

Original Terms

The interest rate chart appearing on the Face of the Security (the text of which is duplicated in the Form of the Security on page A-3 of the Indenture) currently reads:

From (<u>and including</u>):	To (<u>but excluding</u>):	Interest Rate (<u>per annum</u>)
March 20, 2013	August 20, 2017	5.000%
August 20, 2017	February 20, 2038	6.767%

Amended Terms

As amended, this interest rate chart would read:

<u>From</u> <u>(and including):</u>	<u>To</u> <u>(but excluding):</u>	<u>Interest Rate</u> <u>(per annum)</u>
March 20, 2013	February 20, 2017	5.000%
February 20, 2017	February 20, 2034	4.9375%

3. Amortization Schedule

Original Terms

Paragraph 2 of the Terms and Conditions of the Securities currently reads:

- 2. Amortization. The outstanding principal amount of the Securities shall be repaid pro rata in 38 equal, semi-annual installments commencing August 20, 2019 and ending on the Maturity Date. New Bonds shall not be redeemable prior to the Maturity Date; provided that installments will increase in amount following a Principal Reinstatement Date.

Amended Terms

As amended, Paragraph 2 would read:

- 2. Amortization. The outstanding principal amount of the Securities shall be repaid pro rata in five equal, annual installments commencing on February 20, 2030 and ending on the Maturity Date. The Issuer may redeem the Notes in whole or in part at any time or from time to time by paying the then outstanding principal amount of the Notes plus accrued and unpaid interest.

4. Modification to Maturity Date

Original Terms

The “Maturity Date” appearing on the face of the Securities (the text of which is duplicated in the Form of Security on Page A-3 of the Indenture) is currently February 20, 2038.

Amended Terms

As amended, the “Maturity Date” of the Securities would be February 20, 2034.

5. Modification to Payments

Paragraph 3 of the Terms and Conditions of the Securities would be supplemented to include a new subparagraph (f), which would read:

(f) In the event that Belize fails to achieve a primary surplus equal to at least 2.0% of GDP in any of the fiscal years 2018/19, 2019/20 or 2020/21, then commencing on the first Interest Payment Date in the subsequent fiscal year, and lasting for 12 months thereafter, interest on the Securities shall be paid quarterly commencing on November 20 of that fiscal year (and not semi-annually).

6. **Mandatory Liability Management**

Paragraph 16 of the Terms and Conditions of the Securities would be supplemented to include a new subparagraph (b), which would read:

(b) Belize will apply an amount equivalent to 25% of the gross proceeds in excess of U.S. \$50 million of each incurrence of Specified Debt contracted by Belize after March 2, 2017, to repurchase in the open market, redeem, or otherwise reduce the outstanding principal amount of the Securities. “**Specified Debt**” means Public Debt and each net new Debt lent or arranged by private sector international financial institutions, in each case (i) denominated in a currency other than the currency of Belize and (ii) having a tenor of at least five years.

AND WHEREAS, as part of the restructuring process the GOB is prepared to give certain undertaking regarding Belize’s fiscal adjustment program as set out in detail below:

Other Undertakings and Amendments

1. Amendments numbered 1, 2, 3, 4, 5 and 6 above will automatically be reversed (and the original terms of the Securities automatically reinstated) on September 30, 2017 unless the Trustee shall have received, on or prior to that date, a certification signed by the Financial Secretary of Belize confirming that the National Assembly of Belize has enacted a public sector budget for fiscal year 2017/18 that includes fiscal measures projected to produce a fiscal consolidation for that fiscal year equal to 3% of Gross Domestic Product (GDP) (in comparison with the Government’s fiscal performance for the fiscal year that commenced on April 1, 2016). The Trustee shall be entitled to rely for all purposes on the accuracy of such a certification.

2. On or before the effective date of the Proposed Amendments, the Prime Minister of Belize shall issue a Statutory Instrument, in accordance with Section 23(3) of the Finance and Audit (Reform) Act (No. 12 of 2005), committing (w) to propose to the National Assembly annual budgets that are projected to result in a primary surplus in each of fiscal years 2018/19, 2019/20 and 2020/21 equal to at least 2.00% of GDP, (x) to cooperate with the International Monetary Fund in its preparation of annual Article IV consultation reports for Belize and immediately after completion of the consultation to approve posting of the associated staff reports on the International Monetary Fund's website, (y) to publish each year, at the time it is presented to the National Assembly, the Fiscal Strategy Statement referred to in Part 3 of Statutory Instrument No. 95 of 2010 captioned *Fiscal Transparency and Responsibility Regulations, 2010*, and (z) to publish at the prescribed intervals the Fiscal Outlook and Mid-year Review Report referred to in Part 4 of Statutory Instrument No. 95 of 2010 captioned *Fiscal Transparency and Responsibility Regulations, 2010*.

Prior to the effective date of the Proposed Amendments, the Financial Secretary of Belize shall deliver a certification to the Trustee certifying that such Statutory Instrument has been issued. Belize will covenant to maintain the Statutory Instrument in full force and effect without modification until at least six months after the end of fiscal year 2020/21. In the event that Belize fails to achieve a primary surplus equal to at least 2.0% of GDP in any of the fiscal years 2018/19, 2019/20 or 2020/21, Belize shall, as soon as practicable but in any event not later than 90 days after the end of the fiscal year in question, submit to the National Assembly a reasonably detailed report explaining the reasons why the target was missed and, in addition, request that the International Monetary Fund send a technical assistance mission to Belize for the purposes of (i) determining the reason(s) why the primary surplus target was not reached in the prior fiscal year and (ii) recommending measures to restore Belize to the path of achieving primary surpluses equal to at least 2.0% of GDP through fiscal year 2020/21. Belize shall request that the IMF technical assistance mission undertaking this assessment summarize its findings and recommendations in writing and Belize shall publish that memorandum promptly after receipt from the IMF mission.

3. In the event that the Requisite Consents are received on or prior to the Expiration Time and not validly revoked and the conditions to the Consent Solicitation are satisfied or waived, all Holders will be paid a consent fee of \$2.50 in cash per \$1,000 principal amount of Securities (the “**Consent Fee**”). The Consent Fee will be paid pursuant to the procedures described herein and under the heading “The Consent Solicitation—Consent Fee” in the Statement. **If the Proposed Amendments become effective, all Holders, including those who do not deliver their consent prior to the Expiration Time, will be bound by the Proposed Amendments.** In the event that the Consent Solicitation is terminated or otherwise not completed, the Consent Fee will not be paid or become payable to any Holders of the Securities and the Proposed Amendments will not become effective.
4. As a condition to the effectiveness of the Proposed Amendments, Belize shall pay (i) to the Trustee, the full amount of the coupon due on the Securities on February 20, 2017, (ii) to the Holders’ Committee, the amount of U.S.\$2,785,000 in full settlement of Belize’s obligation to pay or reimburse fees and expenses of the Holders’ Committee, (iii) to the Information and Tabulation Agent, the Consent Fee and (iv) to the Trustee, all of its outstanding fees and expenses (including, but not limited to, attorneys’ fees and expenses). The Financial Secretary of Belize shall certify in writing to the Trustee, prior to the time of effectiveness of the Proposed Amendments, that all such payments have been made.

AND WHEREAS, under the provisions of section 7 (2) of the Finance and Audit (Reform) Act, Chapter 15 of the Laws of Belize, Revised Edition 2011, the Government of Belize is required to obtain the prior authorization of the National Assembly, by way of a Resolution, for the proposed amendments of terms and conditions of the Securities;

NOW, THEREFORE, BE IT RESOLVED that this Honourable House, being satisfied that it would be in the interest of Belize so to do, approves and confirms the proposed amendments to the Terms and Conditions of the Securities as set out above and also approves and confirms the giving of the related undertakings also set out above in this Motion.

SENATOR V. WOODS: Mr. President, thank you. I rise to make a comment on the amendments to the terms and conditions of the Bond Agreement. Mr. President, I certainly won’t dwell into a lot of the technicalities and the details of this Agreement. And on this side we certainly are grateful that the Financial Secretary did provide the documentation that was requested by us, regarding what these terms and conditions were. But it would be remiss of me to have the Motion go through without even making some observations and to reiterate the severity and the gravity of the situation that we find ourselves in.

Notwithstanding all of the lengthy terms and the details, the fact is that this is an Agreement that bought the country time. It is no different than any of us who go to the bank to borrow monies and take out a loan and find ourselves that we’ve missed one, two, or three payments, and the bank comes knocking at the door, and we have to go and talk to the bank and convince them to please do not take the house, and let us see if we can work out something, and we buy ourselves extra time. So that is what we’ve done with this. We’ve bought ourselves thirteen years. So the question remains and the question that should stand out for

everybody, particularly those that hold the power, those in the Cabinet, those both elected and appointed to be there, how are we going to use those thirteen years? It is because there were nine such years that we had where we were supposed to be producing surpluses that would not have allowed us to kick this can down the road. What difference, what program will be so materially different this time around that was not different in the last nine years? When we go through the budget debate later it is clear that there is none. And I am concerned, Mr. President, because the Government which urgently and with much vigor and fanfare made sure that it adjusted or made the necessary fiscal adjustments to meet the bondholder's requirement. Why has it not done a similar to make the adjustments structurally in the economy with the same amount of vigor and urgency, Mr. President?

And why am I reiterating and overemphasizing the point for structural adjustment? It is very simple because it is not five soft balloon payments. It is not five soft bullet payments. They are hard, and they are coming with a big sting. Each of those five years this country has to find over a US\$100 million extra. We can't even find comfortably BZ\$80 million extra. Yet we are going to have this Motion pass as if 13 years is such a long time away. It is very concerning, Mr. President. It is concerning because we have not demonstrated to the people of Belize that we can get surpluses and significant ones at that. It is also concerning because interestingly enough on the point 4 of the last section of the Motion it is very transparent in terms of what the holders committee will be paid, US\$2.7 million. Not so transparent when you look further down to try and understand what the outstanding fees, expenses and all the other fees related to the local advisers, what will those be paid?

Mr. President, this should concern not just that singular point but in its totality what has been done. It is clear that the Government is broke. It is clear that it has absolutely no money, it could not make these payments, and it had no other option but to do this. It is no different than the position many Belizeans find themselves in when they cannot meet that mortgage payment. But a serious discussion, Mr. President, if not today sooner rather than later, has to be had on the structural adjustments that this country will make to ensure that in thirteen years it can find over US\$100 million or else we will be riddled with another \$500 million additional debt because we did not do what we needed to do before we signed on to this. Thank you, Mr. President.

SENATOR M. PEYREFITTE: Much obliged, Mr. President. Mr. President, there is a registered national newspaper in this country that has, as its mantra, "The truth shall set you free". So, while Senator Woods would talk about how much local advisors were paid, I think she no doubt is trying to follow up on a story, a question rather as to whether or not I was paid a certain amount of money in my help to restructure the bond. Let me just say...

MR. PRESIDENT: One second, what is your point of order, Senator Woods?

SENATOR V. WOODS: On a point of order, I am not inferring or suggesting anything. If I was inferring that, Senator Peyrefitte, I would have come out and said that. The point is that we were read a Motion by the Leader of Government Business where it listed an amount of fees and there were certain fees that were simply not disclosed. That is all. I did not name a local advisor. I was not even thinking about that, but since you raised it thank you. I was simply talking about the disclosure of fees.

SENATOR M. PEYREFITTE: So what's your point of order if you are thanking me? Let me clarify it for you, Senator Woods, because you did raise it about the question as to whether or not local advisors were paid, and the Prime Minister made no qualms about mentioning myself along with Ambassador Mark Espot. So why you would cast that wide net it is my responsibility, as a person being paid by the public purse, to clarify or clear up any aspersions that may want to be passed. Me, Michael Peyrefitte, collected, did not request and did not require a single dime, not for the first restructuring that we did that I was a part of, nor the second one that we did that I was a part of. So, when you talk about local advisors being paid, I am not one of those that was paid.

Now, Senator Woods talks about we are doing anything and there is not much saving as a kicking down of the road of this debt, but that is not true. Let's be very clear, if I may draw your attention, Mr. President, to point No. 2. Let's look at just interest alone. Under the original terms from March 20, 2013 to August 20, 2017, the Government was to pay 5%. From August 20, 2017 to February 20, 2038, the Government was to pay 6.767%. That is almost 40% more interest rate alone for 21 years. You are telling me that that is not a saving? You are telling me that it is just kicking the can down the road? No, that is a significant amount of savings, that alone justified why this restructuring of the so-called super bond was a huge success.

Secondly, we, the people of Belize, do not have to pay a single bullet payment until 2030, which was not the case on the previous bond. So for the next, indeed, 10 years to 13 years we have that money available to do projects with, to do work with. And we can go into the details as to what my Government has done in a concrete fashion compared to what your Government has done in a concrete fashion. And I will leave you with just this one unquestionable fact. The Bear Stearn's Report on the analization of the Belizean debt stated, and I don't have the exact figure, but it was over \$200 and something million that the then PUP Government, the man who appointed you, to have you seat there, Senator Woods, was Deputy Prime Minister, over \$200 million was unaccounted for. Nobody knows what happened to the money, \$200 million. No such statement can be said about this Government. No such statement can be said about this Government. So, when you talk about what we do, the value you get for money, the people are allowed to see what this Government spends the money on. And then the people decide at election time if we have spent it correctly. And for a number of years now, if you look at how the people vote, they have agreed that the way that we have spent it is in the best interest of this country. There is no comparison, none, between when hundreds of millions were just missing from the coffers under the People's United Party Government, but no such statement can be said under this Government.

SENATOR M. LIZARRAGA: Mr. President, on a point of order.

MR. PRESIDENT: What is your point of order?

SENATOR M. LIZARRAGA: We have an extremely long agenda today, and I would hope that our time today is not spent revisiting the past which we've heard quite well in the House of Representatives and over and over here today. So can we please try to remain focused on the topic today?

MR. PRESIDENT: Senator Lizarraga, I understand that we have a long agenda today, but everybody has their allotted time to speak.

SENATOR M. PEYREFITTE: Mr. President, that's not a point of order.

MR. PRESIDENT: One second, Senator Peyrefitte, I am speaking. Everybody in here always has the right time to say whatever they need to say. I am not here to close anybody down. Once you stick to the point and you are on the topic you may proceed. Proceed, Senator Peyrefitte.

SENATOR M. PEYREFITTE: I can tell you one thing, and this is why I won't be long, Senator Lizarraga, because for sure, when I debate, I debate. I don't read my speech if you notice. So you can believe me, Mr. President, that when I debate and I come and I give my presentation they will be sharp and to the point and be relevant because nobody writes for me what I have to say in this Honourable Senate.

MR. PRESIDENT: Senator Salazar, one second though. This is the Senate, please, your personal comments will be left to yourself in your mind. Senator Peyrefitte, this is not the House. This is the Senate. We have to have structure and order. And if I have to clear the gallery I will. Please proceed, Senator Salazar.

SENATOR A. SALAZAR: Mr. President, ordinarily I would not get up to speak right after one of my colleague. I'd give somebody else an opportunity to speak. But this thing about kicking the can down the road I don't know if I am the only one who is bothered by this because that takes some gall to say. To employ euphemism used by my eight-year-old daughter, really, how can you say this? This amazes me. How can you levy that accusation against this Government, when it is the PUP Government that embarked upon the securitization of those loans that they engaged during a wild and reckless spending? It is the PUP Government that created this debt and amortized it in such a fashion that no reasonable government, no government, would be able to have paid. It is them that kicked the can down the road, Mr. President. They are the ones that kicked the can down the road during their reigning years of their administration. Well, the reality is that we are now down the road. This is where we are. This is where they kicked the can. Now to say that this Government is kicking the can is simply not true. We are dealing with the can that they kicked down the road.

Mr. President, the reality is this. This Government in the two renegotiations has garnered significant savings for the people of Belize, and that is a fact. That is not kicking the can down the road. That is grabbing the bull by the horns. And, if you want the figures, in the first renegotiation the Government saved \$236 million. In the second renegotiation, we saved \$170 million. We dealt with the can that they kicked down the road. So to try and say otherwise is simply not an accurate representation of the facts. Mr. President, that is all I wish to say on that matter.

SENATOR M. LIZARRAGA: I don't know which euphemism is more childish, whether it is grabbing the bull by the horns, kicking the can down the road, or picking the pockets of our grandchildren, but certainly whenever you see, and I will congratulate, I will give the Government this, and we are happy that we have saved cash flow, that we have saved, in fact, in interest. I will give the Government that. And I am happy that they renegotiated.

However, Mr. President, when we hear that we are going to be using the savings to do work, when we hear that we are going to renegotiate these soft, and I don't know what is soft about five payments of US\$109 million plus. I don't

know if those are the proper euphemisms to use, and I don't know if the fact is that we are ignoring that we have to make these payments, but we've said that we are going to kick the can further down the road in 2038, if that is the euphemism that you want to use, or we are going to pickpocket our grandchildren because we are admitting that in 2038 we are not going to pay the super bond. We will refinance it and renegotiate it. What would have been the thing to do was to set up a sinking fund for those savings and not say that we are going to be using the money. What would have been the proper thing to do is to, as the law suggested that we would, use the 1% money from Petrocaribe to pay down this loan. That would have been the proper thing to do. We passed a law that said we would be using Petro money to pay the super bond because we knew that the rates were high. Why would we be taking 1% and not be retiring expensive debt? To me, it is mind-boggling.

So there are a lot of euphemisms that we can use here, but we have to be responsible. We have secured savings, yes, thank God. Instead of paying 5% and going up to 6.76%, it is going to be 4.9375%, or whatever it is going to be, good. What are we going to do with those savings? Are we going to deploy them in a responsible manner? Are we going to acknowledge that it is debt that we have to pay? Remember now that we don't owe just one super bond, you know. We owe the equivalent of 3.15 and counting. How are we going to tackle that? And today we will pass legislation that will take up Government's capacity to borrow more. And we see in the budget, talk about responsible, we see in the budget that in the next three budget years we are proposing that we have to finance almost \$100 million each year. Is that responsible? Where is the cutting of the fat? Who is rubbing from our grandchildren? Please, Mr. President.

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

MR. PRESIDENT: Honourable Members, the question is **NOW, THEREFORE, BE IT RESOLVED** that this Honourable House, being satisfied that it would be in the interest of Belize so to do, approves and confirms the proposed amendments to the Terms and Conditions of the Securities as set out and also approves and confirms the giving of the related undertakings also set out in this Motion.

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

3. Fiscal Policy, Budget Proposals and Fiscal Strategy Statement and Reports 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 Government of Belize is committed to placing the payment terms of its external commercial public debt securities on a full sustainable basis;

AND WHEREAS, a key element of this commitment, is the execution by Belize of a robust, multi-year fiscal adjustment program;

AND WHEREAS, in support of its fiscal adjustment program, the Government of Belize has given certain undertakings to the holders of its external commercial public debt securities, including commitments to do the following:

- a) Make proposals to the National Assembly of annual budgets that are projected to result in a primary surplus in each of the fiscal years 2018/19, 2019/20, and 2020/21 equal to at least 2.00% of Gross Domestic Product;
- b) Cooperate with the International Monetary Fund in its preparation of annual Article IV consultation reports for Belize and immediately after completion of the consultation the Ministry of Finance shall approve posting of the associated staff reports on the International Monetary Fund's website;
- c) Publish each year, at the time it is presented to the National Assembly, the Fiscal Strategy Statement referred to in Part 3 of the Statutory Instrument No. 95 of 2010, captioned *Fiscal Transparency and Responsibility Regulations, 2010*;
- d) Publish at the prescribed intervals the Fiscal Outlook and Mid-year Review Report referred to in Part 4 of Statutory Instrument No. 95 of 2010 captioned *Fiscal Transparency and Responsibility Regulations, 2010*;

AND WHEREAS, to give further assurances to its creditors, Government is prepared to covenant that such undertakings will remain in full force and effect without modification until at least six months after the end of the fiscal year 2020/21;

AND WHEREAS, such undertakings have been developed and codified in the proposed new Order entitled **“FISCAL POLICY, BUDGET PROPOSALS, AND FISCAL STRATEGY STATEMENT AND REPORTS ORDER, 2017**, a copy of which is annexed hereto;

AND WHEREAS, section 23 (4) of the Finance and Audit (Reform) Act, Chapter 15 of the Laws of Belize, Revised Edition 2011, provides that all orders made by the Minister under subsection (3) shall be subject to affirmative resolution of the National Assembly;

NOW, THEREFORE, BE IT RESOLVED that this Honourable House, being satisfied that the said **“FISCAL POLICY, BUDGET PROPOSALS, AND FISCAL STRATEGY STATEMENT AND REPORTS ORDER, 2017**, will substantially support its multi-year fiscal adjustment program, approves and affirms the Order annexed thereto and further covenants that these Orders will remain in full force and effect without modification until at least six months after the end of the fiscal year 2020/2021.

SENATOR M. LIZARRAGA: Mr. President, I will be brief on this matter. When I read this thing, the first thing that came to my mind at least was that we are passing a law to follow the law. That is what we are doing. You know, Mr. President, we passed laws in 2010. It's called the Fiscal Transparency and Responsibility Regulations, 2010, S.I. No. 95 of 2010. I will take this opportunity to remind Ministers, CEOs, finance officers, public officers, like the Prime Minister rightly said in his budget speech, we, and let me, with your indulgence, Mr. President, let me find it because I agree with the Honourable Prime Minister. The Honourable Prime Minister has said that the legal framework is entrenched by a Constitution, the Finance and Audit (Reform) Act and other subsidiary legislations, including the Financial and Store Orders, including S.I. No. 31 of 2010, including S.I. No. 95 of 2010, and including the Finance and Audit

(Reform) Act. Those are the Again, I remind Ministers, CEOs, and public servants and other officers that are employed by the Government, and Senators, to become aware with those pieces of legislation. Obviously I am no legal expert, but I've read these documents, and I am just wondering, from a legal standpoint, why is it that today we have to pass a law to follow a law. Thank you.

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

MR. PRESIDENT: Honourable Members, the question is **NOW, THEREFORE, BE IT RESOLVED** that this Honourable House, being satisfied that the said **“FISCAL POLICY, BUDGET PROPOSALS, AND FISCAL STRATEGY STATEMENT AND REPORTS ORDER, 2017**, will substantially support its multi-year fiscal adjustment program, approves and affirms the Order annexed thereto and further covenants that these Orders will remain in full force and effect without modification until at least six months after the end of the fiscal year 2020/2021.

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

4. Official Charities Fund 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 - **BE IT RESOLVED THAT** this House approves the expenditure of \$2,352,589 from the Official Charities Fund as detailed in Appendix A of the Draft Estimates of Revenue and Expenditure for the year ending 31st March 2018.

That Appendix A will be found in the budget or what is typically called the budget book at page 231.

MR. PRESIDENT: Honourable Members, the question is **BE IT RESOLVED THAT** this House approves the expenditure of \$2,352,589 from the Official Charities Fund as detailed in Appendix A of the Draft Estimates of Revenue and Expenditure for the year ending 31st March 2018.

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

5. Establishment of the National Assembly Staff Committee 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**, section 3 (1) of the National Assembly Staff Act (No. 1 of 2000) establishes a National Assembly Staff Committee, consisting of the Speaker of the House of Representatives, or in his absence the Deputy Speaker; three members of the House of Representatives; the President of the Senate and one member of the Senate nominated by the Senate; and one member of the staff of the National Assembly or one other person who is not a member of staff of the National Assembly nominated by the staff of the National Assembly;

AND WHEREAS, section 3 (1) (c) of the National Assembly Staff Act (No. 1 of 2000) provides that the President of the Senate and one other member of the Senate nominated by the Senate;

NOW, THEREFORE, BE IT RESOLVED that this Senate nominate the Honourable Senator Michael Peyrefitte to be a member of the National Assembly Staff Committee.

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

PAPERS

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Thank you, Mr. President. There was a slight missed order in the order, and clearly we cannot commence the debate of the budget without the Draft Estimates of Revenue and Expenditure for the Fiscal Year being laid on the Table. So I lay the following Papers:

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|---------|---|---|
| 26/1/13 | - | Draft Estimates of Revenue and Expenditure for Fiscal Year 2017/2018; |
| 27/1/13 | - | The Sixteenth Annual Report of the Ombudsman of Belize for the Year ending 2016; |
| 28/1/13 | - | Fiscal Policy, Budget Proposals, and Fiscal Strategy Statement and Reports Order, 2017; |
| 29/1/13 | - | Belize Rural Finance Programme - Audited Financial Report – April 1, 2016 to September 30, 2016; and |
| 30/1/13 | - | The Social Investment Fund of Belize - Financial Statements for the years ended March 31, 2016 and 2015 and Independent Auditors' Report. |

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

II BILLS FOR SECOND READING

1. General Revenue Appropriation (2017/2018) 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 appropriate certain sums of money for the use of the Public Service of Belize for the financial year ending March 31, 2018.

SENATOR M. LIZARRAGA: Thank you, Mr. President. Mr. President, after having perused this budget book and read the budget speech, I had great

difficulty in trying to come up with a label for my presentation. I wasn't sure if I should use "Difficulty reconciling words with deeds" or something like "When will those that are blessed with the responsibility of governing begin to", in the words of Maria Marin, "walk the talk and not just talk the talk", or perhaps use Mark Twain's, "It is easier to fool the people than to convince them that they have been fooled."

Mr. President, this Government purports that it is guided by a development plan that is called the Growth and Sustainability Development Strategy. And it identifies clearly priority areas for arriving and compiling the budget, and it lists, Mr. President, as critical success factor No. 1, optimal national income and investment. It has, as its core, one simple commitment, to achieve one singular goal, to improve the quality of life for all Belizeans living now and into the future. Let us look at critical success factor No. 2. Now these are critical, enhance the social cohesion and resilience; No. 3, sustain and improve health; and critical success factor No. 4, which we believe should have been critical success factor number No.1, enhance governance and citizen security.

Mr. President, programme budgeting has been the tool that we have decided to use to implement our development strategy, our result's based budgeting, our management for development results. But we see, like budgets before this, Fiscal Year 2016/2017, overshot its budget estimates by some 7.6 %. On page 23 of the budget, Mr. President, I asked the Honourable Members to look at it. It provides an overview of such inconsistencies between what was budgeted and the actual outturn. This overspending, Mr. President, is reflective of bad budgeting practices or bad assumptions, or fiscal indiscipline. If we assume the former, then, Mr. President, we can say that it is partially due or probably due to the lack of proper statistical data gathering that can inform monitoring and evaluation of public spending, very little oversight. More importantly, Mr. President, many aspects of the budget appear to be too ad hoc and disconnected in many ways from the medium and long-term plans. This is troublesome because there is no clearly established plan towards which Government is working. This not only then increases the probability of overspending, it augments the potential for waste, misuse, and corruption. Because this budget is supposed to be guided by the GSDS, the Growth and Sustainability Development Strategy, consequently we should be able to see where there is alignment between budget estimates and the strategy. However, with the exception of a few Ministries, and I give kudos to the Minister of Agriculture, the Minister of Transport and Beltraide, with the exceptions of these Ministries, very few Ministries, if any, refer to this strategic plan.

Mr. President, let's look at the Ministry of Finance. The Ministry of Finance overspent its capital budget by more than 200%. This significant increase is largely attributable to one single item, the startup cost for the Belize Infrastructure Limited, BIL. This was budgeted at \$5 million but has a projected outturn of \$19 million, almost 300% over budget, and it is in page 57 of the budget estimates. What is also interesting about BIL is that last year the approved estimates showed BIL projected, would turn out at \$13 million, which was also well above 200% of the budgeted amount of \$4.5 million. However, when we look at the actual figures presented in this year's estimate, again page 57, we see that the numbers for 2015/2016 have been reinstated to \$26.8 million. When compared to the budgeted \$4.5 million for 2015/2016, this outturn no longer projected here was closer to being 500% above budget. Now keep in mind also that in last year's budget book we saw that only \$500,000 was going to be spent over the following two budget cycles for this year, but now we see that that \$500,000 has changed to \$12 million budgeted for this year and \$3 million for the next budget cycle and \$1 million for 2019/2020. So where is the following of the

plan? Where is programme budgeting? We really think as well that we are having issues, and we question, and we need clarity as to how is this spending reconciling with our growth and development sustainability plan. Where does it fit into this plan?

Mr. President, again, under the Ministry of Finance, we see that the investments made in BTL have been flaunted as a legal, political and economic victory well-worth its cost. Well, Mr. President, I must thank the Chamber of Commerce for securing the services of an economist, and we have other economists that advise as well, and we've had two economists look at this, at the nationalization. And, Mr. President, at the end of the day all we can say is that using very liberal assumptions, as those presented by the Prime Minister, could we justify this investment? These liberal assumptions assume, Mr. President, a capital cost of 3.4% which we will say is lower than the rate on the T Notes which are 5.01% raised to secure the financing for the first payments.

Let me explain this to you. When you look at investments, Mr. President, there is something called the weighted average cost of capital. When the Government projected the weighted average cost of capital in a study that they did to justify the investment in BTL, they used a weighted average capital cost at 13.5%. Recently in the renegotiating of the super bond they used a weighted average cost of capital at 12%. When using the assumptions, both those numbers, there was no way you could justify the investment in BTL. When using the cost at 5%, there was no way BTL would ever come into the red. We looked at the flows that Government decided that it would use to justify this investment. We looked at dividends, as it is expected. We gave Government taxes even though we believe that when a private sector would look at this investment it will not consider taxes. In any case, Government has access to those taxes, whether it invested in the company or not. And we had to use consumer savings to finally arrive at some breakeven point into the future of this investment, taking into consideration that the earnings we would use, earnings imports, would be \$20 million in consumer savings, and only then using 3.4% which is well below the accepted weighted average capital cost were we able to justify this investment way down the road. So you can see that the assumptions that we used were very liberal. But if you take away consumer savings from the equation at no stage in the point was this investment justifiable. And we question whether it is right and proper to use consumer savings into this equation because the consumer savings not come about from competition. How can the Government claim credit for that? Competition would have brought down those rates anyhow. And if you are going to be using consumer savings into the equation then certainly we have to throw back into the equation now the fact that we are raising taxes to help pay for this investment. So it eliminates that component of consumer savings. So, Mr. President, we are big in debt, and we still have this lingering question, have the investments made in BTL truly benefitted us? The Belizean consumer ultimately has to decide, especially in the advent of raising taxes.

Mr. President, we look at the Ministry of National Transport and National Emergency Management. They overshot their budget by 18%. And a portion of this increase has to be given to them for the emergency management of their portfolio justifiably so. What we are questioning is, why we are not directing funds to that Ministry in this budget period? It is because we know, Mr. President, that if we don't we will be making bad assumptions because there is a high probability that we will be faced with another overspending, if we have another national disaster. So prudent management would dictate that you allocate resources to that Ministry in the event of fiscal planning.

We look at the Ministry of Health. The Ministry of Health increased its

staff by 13% more than what was budgeted. The Ministry of Health's medicine and technology is projected to outturn 34% above its recurrent budgeted, and a significant driver of this increase is found on page 75 of the budget under materials and supplies. Medical supplies were budgeted for at \$12 million, but the revised estimate shows \$16.5 million. An increase of roughly 38% is being projected. This overspending was serious enough that it made its way into the budget speech on page 14. And I want to quote from that. The Prime Minister had said, "That belt tightening put the brakes on the otherwise inexorable", inexorable means impossible to stop, "on the otherwise inexorable growth in expenditure, especially on telephone and electricity, consumption, fuel, rents and medical supplies, to name a few." And we wonder, Mr. President, how come, not casting any aspersions, but how come this particular item has increased by over 38% of its budget? Did we have an epidemic of illness in the country that warranted more medicines? Has the cost of medicines on the world market gone up by 38%? And why did the Prime Minister focused on this one particular area in its budget speech? We will never know, of course, because we don't have accountability and transparency in these matters.

One of the major things that concern us in this budget as well, Mr. President, was the wages to un-established staff. Another dubious and similar ad hoc aspect of the budget is the continuously rising sums being allocated for this item, and I want to give you some examples. Ministry of Foreign Trade, for fiscal 2017/2018, has budgeted \$196,763 to un-established staff, and do you know how many people are working under the column un-established staff? It is zero persons. It is at page 178 of the budget. So these special persons or ghosts are going to be getting almost \$200,000.

The Ministry of Health, strategic management and administration, they budgeted for \$500,000 for un-established staff in 2016/2017, and, in 2017/2018, they have budgeted \$1 million. Do you know how many people work in this department's un-established staff? Two. They average \$500,000. I didn't know we had people in government that make \$500,000. Minister, that is a lot more than what you earn. And that is found on page 73. Ministry of Health, again, hospital services, they have 606 un-established staff. In 2016/2017, the outturn was \$2.9 million. The outturn for this year is \$5.7 million. Now, one would expect, alright, maybe salaries and wages would go down by the same amount, maybe they are moving people around, maybe they are union busting and hiring un-establish and not hiring permanent, but that is not so.

On page 77 of the budget, the Ministry of Defense is the same thing. They are increasing from \$1.4 million, or they budgeted \$1.9 million and they are saying that they spent \$1.4 million, but this year they budgeted for \$2 million, and they have no increase in staff. On page 206 of the budget, Police and strategic management, it is \$37,480. Do you know how many people they have? Zero. And it continues like this. Community police, \$1.6 million was budgeted for this year, and \$900,000 was budgeted for last year. Do you know how many staff they have? Zero. Page 87...

MR. PRESIDENT: One second, Senator Lizarraga. Yes, Senator Coy, what is your point of order?

SENATOR M. COY SR.: The Honourable Senator there is calling out numbers...

MR. PRESIDENT: One second, Senator Coy, let us fix the microphone problem. Please have a seat while they address the problem. Continue now.

SENATOR M. COY SR.: On a point of order, Mr. President, first of all, did we come here to just read books? I understand that you made it clear and you said to refer to your notes, not to the books that he is reading. Secondly, where are we getting these numbers from? I am running through these pages and, Lord, I am not seeing these numbers. And he is referring to some hardworking public officers. If I am not mistaken, that is what he said earlier. Lord, we are not here to mislead the nation, Mr. President. We are here to inform the nation of the reality. Thank you, Mr. President.

MR. PRESIDENT: Thank you, Senator Coy. And, yes, one second Senator Lizarraga, he can refer to his notes which is what he is doing. Please continue, Senator Lizarraga.

SENATOR M. LIZARRAGA: Mr. President, I would be glad to sit down with the Honourable Senator and try to enlighten him after this debate. And that is why I am specifically referring to the page numbers so that we know what I am talking about, and all of these things that I am referring to can be found on the budget book. I can go through all of these pages in the budget. You see all of these notes, Mr. President, all I've done is to condense them in this presentation, but I could go through every page in this book if it is your desire. And I am prepared to do so with you, Senator Coy, if you wish.

Mr. President, the Ministry of Education on page 99 of the budget book has 175 employees un-established. The outturn for 2016/2017, is \$767,000 for these people. This year it's gone to \$1 million. The Ministry of Education, again, Strategic management, on page 227, Senator Coy,...

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

SENATOR A. SALAZAR: I don't know if that number is the number of staff or if it refers to a monetary figure. He is referring to the number as if that is the number of staff, but it is not the number of staff. It is a value of money. I don't know if I am mistaken, but I don't think that this is referring to the number of staff in the Ministry. So I would just like to clarify that I don't think that that is accurate.

MR. PRESIDENT: Please confirm that because I am looking at the same thing.

SENATOR M. LIZARRAGA: Mr. President, if you look under staff headings, there is a column under staff headings that shows you quite clearly a breakdown between how much are established, how much are non-established, etc., and then there is a label that says, "wages-unestablished staff". You have to match the wages-unestablished with the number of people that they claim to be non-established workers on the book. I would be happy to sit down with you too, Senator Salazar, after this.

Mr. President, again, the Ministry of Education claims to have 227 persons under un-established staff, and this year they will enjoy an increase of \$232,686.

MR. PRESIDENT: One second, please. Senator Lizarraga, can you please show me this?

SENATOR M. LIZARRAGA: Sure, Mr. President. Which one do you want me to show you? On page 99, the Ministry of Education claims to have 175 employees.

On page 99, staffing, resources, do you have a different budget book than me. Well, there you go. My book is for the Fiscal Year 2017/2018. The numbers have changed. Your page 99 doesn't show that?

MR. PRESIDENT: I asked for clarity, and please do not insinuate anything on this side here, okay. Please, stick to the facts and stick to the budget right there. That's why I asked for clarity, and you showed it to me, and we can proceed, right. Thank you.

SENATOR M. LIZARRAGA: Mr. President, in the Draft Estimates that I have, that I was presented by this Honourable House, at page 99 it is showing that that Ministry, on secondary education, it has 175 people, and that those people are going to be making \$1 million this year. I am sorry, gentlemen and ladies, if your book is different than mine, but this is what I was presented by this House.

Let us look at the Ministry of Human Development. And I could go on, and I am willing to share this with all of you. So, Mr. President, my only hope, and let me not say anything. I am glad that it was highlighted. That's all I can say. Mr. President, with your permission, I will continue with my presentation.

MR. PRESIDENT: You are free to proceed, Senator.

SENATOR M. LIZARRAGA: Thank you. You see, Mr. President, it raises an important point though, and people wonder why we question the numbers sometimes, and I can understand how this could appear to be very confusing to my fellow Senators, and I apologize because I was of the assumption that we had the same book. But nevertheless, Mr. President,...

MR. PRESIDENT: Excuse me one second, Senator Lizarraga. Let me show you this for clarity. It says, "Cabinet review." This is the old one. This one is the updated one. Right, this is the one we are passing today. So we all have the same book. So we have to make sure that it says it here, right. So please let's continue.

SENATOR M. LIZARRAGA: Thank you, Mr. President. I am not privy to the copies given to Cabinet. Mr. President, so the question is, do budget allocations reflect the growth and sustainability development strategy of our country and other national plans? What the missing of budget targets and the questionable reporting of the budget estimates show is that there are weak connections or linkages to any plan. A key question has to be asked. Are we just spending money for spending sake? Or is the Government following a well-thought-out national development blue print that will yield specific outcomes? Given the seemingly ad hoc nature of Government's spending, the good news is that we now have yet another promise to improve. We only hope and pray that GOB is following the growth and sustainability development plans and strategies in terms of section 5, and I refer you, gentlemen, to this document, please read it, growth and sustainable development plans. Section 5 of the GSDS looks at the implementation plan and the institutional arrangements. However, given the urgency of this situation, these preliminary works ought to be expedited, and it is possible and even highly recommended that other targets should be emphasized much earlier. For some positive news, again, the Ministry of Agriculture, Fisheries, Forestry, the Environment, Sustainable Development and Immigration does underscore the GSDS in their strategic objectives; that's on page 111. This is very commendable, Minister. I commended you last year as well for those Ministries, at least, under your portfolio, taking the time to try and identify goals

and targets.

While we will acknowledge, Mr. President, that the nature of the GSDS strategy and Government's prioritization of certain spending should be done in consultation with stakeholders, we urge that this really be put on the front burner. Mr. President, monitoring and evaluation systems still need to be established as recommended by our partners, if even the Ministry of Agriculture's goals are to be realized, Minister. Now we expect and accept, Mr. President, that the implementation of this strategy is to be gradual in nature, but given the urgency and need we call all hands on deck, or, Mr. President, our ship will sink and not float as was promised.

Mr. President, if you look at this strategy as well, it identifies strategy number one as expenditure management. And common sense dictates, Mr. President, naturally that in any imperial or austerity situations one's first instinct is to look critically at one's expenses. The private sector and the unions did this in trying to help our Government, as is confirmed by the Prime Minister in his budget speech on page 14, and, with your permission, Mr. President, I will quote. The Prime Minister in his budget speech says, "We are listening to the loud and clear message by the private sector and the unions, repeated in all our budget consultations, that Ministries and Departments must aggressively curtail costs before seeking additional revenue collections." Strategy number one, expenditure management, naturally, Mr. President, we think there is room for improvements on this front. As from a programme budgeting stand point, there remains a much greater need for one Government to manage expenditure, especially as it pertains to keeping expenditure on targets, minimizing wasteful spending, aligning spending with strategic objectives and targets that truly reflect programme budgeting. We have to have an economization of inputs, an efficiency of outputs and effectiveness for outcomes. Examples are bound of spending absolutely not related to particular Ministry's goals and objectives, Mr. President, and I can give you many examples of that. Many have been highlighted, but today I will bridle myself but for time.

Mr. President, perhaps most importantly to achieve proper programme budgeting results based budgeting, there is need for proper monitoring and evaluation. I must say, giving credit to the Government, Mr. President, that they identified it as well. And I will quote from Government's own strategy paper, "to support monitoring and evaluation, Belize needs to create a comprehensive national statistical system. The SIB will lead the efforts to develop such a system. The process of developing and maintaining the management and evaluation framework for the GSDS will be supported by the interministerial and interagency working tables." So the Government realizes, Mr. President, that the SIB has a very important role to play in the implementation of this policy. But, if we look at that budget for the Statistical Unit, the budget has been cut by some 17%. Now even the IDB, our development partners, has said that it is important to emphasize the relevance of having a national strategy to develop statistical capacity that is directly linked, that there is a direct link to the plans in the budget. So we can have true management for development results. The Statistical Institute of Belize should lead this initiative. Mr. President, we are trying to get value for money. We are trying to tell the people of this country how we are spending our money, where the monies are going. We are raising taxes. The IDB and we realize that this is important. Yet in this budget we cut the budget for the Statistical Institute of Belize, the lead agency in monitoring and evaluation of this very budget. Are we serious? Do you see why I said earlier that I am having difficulty and we, the private sector, are having difficulty reconciling words with deeds? If we are truly to be serious about improving and achieving expenditure management, we cannot continue to drag our feet and deprive these Ministries responsible for monitoring

and evaluating our spending of the resources that they need. But there is a small glimmer of hope. We see that the Ministry of Economic Development on page 182 has allocated \$160,000 for the purchasing of some statistical system. This is after cutting them of almost \$300,000 and giving them back a little bit.

Mr. President, in summarizing, the Government continues to miss its budgetary targets, an act which flies in the face of the very core values of programme budgeting. We are now in our fifth year of programme budgeting. The question begs, are we truly serious about accounting through measurable results for the spending of billions upon billions of the people's dollar? I'll sum it up in the words of the IDB, "Monitoring and evaluation systems are virtually non-existent in Belize. Therefore implementing a sound and comprehensive monitoring and evaluation system is one of the biggest challenges the Government needs to address to achieve more efficient, effective, transparent public management. Strengthening monitoring is important for Belize because it will allow the country to have accurate reports of the advances made towards the objectives and goals of Government's projects." Additionally, it goes on "Because monitoring is closely linked to budgeting, we will also allow the Government to monitor resources which are the inputs and achievements which are the outcomes for the annual public budget." See, we can benefit from this information that they will provide. We need to have this information to truly give the budget the critical analysis that it needs. Besides monitoring results, strengthening the expose evaluation system would allow the Government to determine the factors affecting results and to decide whether changes are needed in some policies, programs and projects. You see, Mr. President, and colleagues, fellow Belizeans, the information reported by managing and monitoring and evaluation systems and true bodies like the Senate, like the Auditor General, like the Senate Committees, the House Committees that never meet, the Public Accounts Committee that never meets, these are important, ex post facto institutions that we have to determine how we spend our money and if we are getting value for money.

Another critical component, and I will just mention it briefly, nowhere in this budget could I find the words UNCAC, nowhere. When we passed the legislation and when we signed on to it, I reminded my colleagues that we needed to seriously budget for the many activities, for the many laws that we will need to comply with to meet to pass under UNCAC. I see nothing.

Mr. President, let's turn to the budget statement. And the budget statement says that what is being presented today is a financial plan for consolidation that is tailored to bolster revenue. Well, we certainly agree with that. We know that we are bolstering our revenue to the tune of almost \$100 million. Bridle waste, really? Where did we bridle waste? When we see that spending in aggregate has gone up over what was budgeted last fiscal year now by 7.4% or some \$71 million more in spending, is that bridling? But, Mr. President, while we promised we would cut spending, really what we are seeing is an increase in spending over that which was budgeted for in 2016/2017. In 2017/2018, we are seeing an increase of 1.93% of GDP in spending.

Mr. President, let us look at my budget book where it speaks to the private sector, page 50 in my book, and page 51. If we look, Mr. President, under the Office of the Prime Minister, we still see that we have no program performance information. They cannot tell us what they achieved in 2016/2017. They have no key program strategies in 2017/2018. They have no key performance indicators from 2014 to 2020. They have no outcome indicators from 2015 to 2020. We don't know what it is in a measurable way that this office is doing, and remember the vision of this Ministry is to coordinate. Let me read the whole thing. "The Office of the Prime Minister and Cabinet will provide strategic leadership by

supporting Government in the areas of development, coordination and implementation of sound policies and programs and that of effective governance which will work for the benefit of all the people in Belize.” And, if you go to page 53 now, the private sector investment program, Mr. President, we see that this office as well was not able to identify its achievements for 2016/2017. It was not able to identify its key program strategies for 2017/2018, absolutely nothing. It was not able to indicate key performance indicators and outcome indicators from 2015 to 2020. So we don’t know what the strategic objective results are from this Ministry. There is no idea of how or what they achieved. But, Mr. President, remember we are going to do everything in this budget to protect not only the pro-poor, and I will get to that later if I have time.

MR. PRESIDENT: Well, I will give you five more minutes to wrap up.

SENATOR M. LIZARRAGA: Mr. President, with your indulgence, I...

MR. PRESIDENT: I will give you five more minutes because your time is already up. So I am just reminding you now that you have five minutes to wrap up.

SENATOR M. LIZARRAGA: I asked you, Mr. President, to please give me the 15 more minutes.

MR. PRESIDENT: The Standing Orders are quite clear how much time you have, and I am giving you more time, Sir.

SENATOR M. LIZARRAGA: Mr. President, I’ve asked my colleagues.

MR. PRESIDENT: Senator Courtenay?

SENATOR COURTENAY: Mr. President, I refer to Standing Order 41(2), which reads, “Subject to the preceding paragraph of this Standing Order, a Senator shall not be entitled to address the Senate or a Committee of the whole Senate for more than forty-five minutes on any subject: Provided that the Senate or the Committee may by a motion made and carried without amendment or debate, extend once only the time limited by this Standing Order for such period not exceeding thirty minutes as may be agreed to by the Senate.” Mr. President, I move that Senator Lizarraga be allowed to continue speaking for 30 minutes.

SENATOR V. WOODS: I second that motion.

MR. PRESIDENT: Continue, Senator Lizarraga.

SENATOR M. LIZARRAGA: Thank you very much, Mr. President. Mr. President, so if we look at this Ministry, private sector investment program, we see that they have two people employed, and, in 2016/2017, there was a budget for \$54,000 for personal emoluments for these persons and a salary for \$50,000 under that. But, for 2017/2018, the proposed salary for these people is \$1,200 for the year. Well, I don’t know which two people you will get to work for \$1,200. And is this the amount of your private sector investment program? Really? Do you see why we have problems reconciling words with deeds?

Mr. President, let’s go to a Ministry on page 185, and this is important. I wish I had about four hours to talk.

MR. PRESIDENT: Senator Courtenay says that he isn’t for that. Proceed, Senator Lizarraga.

SENATOR M. LIZARRAGA: When you look at the Ministry of Housing and Urban Development, Mr. President, this Ministry, talk about waste, this Ministry has a budget of some \$2 million, more or less the same thing from last year. Last year, and I stand to be corrected, I think they spent about \$300 and odd thousand in programs. This year they will spend \$190,000 for home improvement, grants and loans. So we are spending, Mr. President, a million dollars an year to implement. Last year it was \$277,000 worth of projects. This year it is \$196,000 worth of projects. I don't know if we are getting value for money there. But why I highlighted this Ministry is because this Ministry has said, if you look on page 187, and follow me closely, please Senators, that under its key performance indicators it said that the number of applications for grants and loans assistance received was 1,600. It says that the number of grants, assistance, sorry, households-provided grants was 1,600. So 1,600 people applied, and 1,600 people got grants, and the average value of the grants was \$500. So if you multiply by 1,600...

MR. PRESIDENT: Excuse me one second, Senator Lizarraga. Senator Hulse, please.

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.

Continue, Senator Lizarraga.

SENATOR M. LIZARRAGA: Thank you, Mr. President. I hope you give me a little five extra minutes for all those interruptions that I've had today. So, yes, Mr. President, 1,600 people applied and 1,600 people were given grants and the average value of the grants was \$500. So, in simple mathematics, 1,600 times \$500 it is \$800,000. Now magic is happening. We need this person to be in charge of the finances in this country because he had a budget, his whole budget was \$1 million. Okay, so where he finds \$800,000 from, when he still has wages at \$800,000, travel and subsistence at \$8,000, material and supplies are \$20,000, operating costs at \$20,000, maintenance at \$44,000, and contracts and consultancies at \$110,000. His whole budget for this housing development and construction was \$1 million, and they gave away \$800,000. How did they pay for their recurrent expenses? Where did they find the \$800,000 to give to these people, on page 187 of the budget? So, Madam President, you see why we have difficulty reconciling what you say you do with what we see?

Speaking to this Ministry though, Housing, I want to read, with your permission, Madam President, from an article that Senior Government Advisor, Mike Singh, recently published. And he says, in speaking to construction of buildings in Belize, he is talking about the buildings, the many buildings that you see all over the place. He says, "Missing in all this though seems to be a true sense of standards and norms that builders should adhere to. While there is a process for building permitting, even this process is warped in that the Central Building Authority is often either in conflict with or duplicates the work of the

local building authorities.” This Senior Government Advisor is perhaps hinting that maybe we don’t need the two of them. So maybe we could out this Ministry and save some money. He says, “Many of the structures though seem to have missed many of the requirements in structural soundness, aesthetics and amenities such as parking or common areas. Yet construction continues unabated. This seems to be true for a number of commercial buildings built by immigrant merchants leading one to wonder,” his words and I quote, “how it is that this demographic is able to thwart the rules with hardly a glance from those that regulate construction.” Are we truly getting value for money, Madam President, in these Ministries?

If you look at the growth and sustainability development goals now, Madam President, it says that the Government will also pursue actions necessary to enhance the efficiency of the economy in order to drive competitiveness. And we agree with him, and we like to hear it. But you see, Madam President, we have difficulty understanding those because you cannot tax an economy into prosperity and growth and competitiveness, and that is what is being done today. Will these new taxes be deployed to make us more efficient and productive as a nation? We don’t see that. We cannot reconcile that with the budget numbers. How can these tax increases and cuts to the Ministries that are directly linked to the private sector help to drive the private sector to become more competitive? Not in Belize and not in any other part of the world has new taxes stimulated and drove an economy to prosperity and to growth.

Another goal of this plan is to enhance governance which claims it will reduce waste, abuse or government resources. Well, we look forward to that. What a mouth full we say. If we have enhanced government, it says, “While generally improving public sector management, it will improve budgeting and hiring practices and accountability mechanisms.” These are the very things the private sector has been screaming for and warning about and advising that we need in this country. Here the Government has said that they will do it. They will enhance governance, but where is the money? Where are the actions? In setting these much needed and noble goals, the Government has, in fact, agreed with us that these remain the issues that need to be urgently addressed and that are unfavorable and affect our national competitiveness. Again, we’ve never had a problem with what this Government has said it is going to do in regards to good governance. Our problem remains is that we have great difficulty in confiding that they will do what they say they will do. We do have a problem with the institutional realities, the failure to deliver on the promises, the heavy and burdensome tax load, and the fact that increasingly many of us in the business community are finding it more and more difficult to compete as a result of the cheques that successive governments have written and that we are being asked to honor today.

“The Government of Belize,” the documents goes on to say, “will pursue a philosophy of engaged governance.” Mr. President, “the Government will pursue a philosophy of engaged governance,” meaning institutional arrangements that link citizens more directly to the decision-making process of the state, enabling them to influence public policies and programs in a manner that impacts more positively on their social and economic lives. And here I thank the Ministry of Agriculture and the Ministry of Trade and Industry, Economic Development, for at least making some efforts in that direction, and it is to be applauded and it is to be continued. We agree with the government that this model has been promoted and has worked so many times in so many of the economies that we see prospering in the world today.

Mr. President, with your permission, when we were consulted, we said, we focused on, first, cost cutting measures because that, Mr. President, we were very

clear, needed to be done as was this plan. But, again, if we look at page 22 of the budget, we see that items were not cut. In fact, most Ministries, a lot of the Ministries went down. Some Ministries were cut, but let's look at the big offenders, starting with the Ministry of Works. The Ministry of Works' budget has gone up by 84% over what it was projected and approved last year, 84%. Where is the cut? On page 23, the Ministry of Finance and Natural Resources is spending 12.6% more than the projected outturn for 2016/2017. The Ministry of Education, Youth and Sports is spending more than was approved in 2016/20017, by some 4.9%. The Ministry of Local Government has 9.7% more than what was approved in 2016/2017. The Ministry of Defense has 9.5% more. Yet we were told, when we had the consultations, that these people would cut their budgets by 5%. Where is the cut? The overall increase is 7.4%, \$71 million more spending than was approved last year. Where is the cut? That was point number one.

When the unions and the business community met, we said that we had to focus, Mr. President, on growing the economy. There can't be any longer any doubt that growing the economy in a sustainable manner is the only solution to prevent Belize from becoming a failed state. This document recognizes that as well. The private sector continues to recommend that clear policy and tax relief measures are needed to strengthen our economy, to grow our economy and to make us more competitive. Taxes will not do it. Raising taxes will never do it. We have to become the true drivers of growth and prosperity in our country. We need to hire the thousands that are unemployed or underemployed, Mr. President, those thousands that leave school every year. It is the private sector. Government cannot continue to grow. You know, Mr. President, talk about irregularities and talk about wrong information, the Prime Minister in his budget speech is saying that we have 14,000 employees in the public service, when, in fact, this very budget book that I have is saying we have 17,000, which is right. Who has misled the Prime Minister? How can we miss 3,000 workers?

We need to grow the economy, but, yet, if you look at page 49 and page 53 under private sector investment programs, and I won't go through all of it, and if you look at pages 174 to 183 under the Ministry of Economic Development, where are the private sector targets and goals? Where are the measureable outcomes that we predict that after this spending the private sector will rebound to take its true place as the drivers and leaders in this economy? It doesn't match.

And lastly, Mr. President, we recommended, in our meetings and consultations, we said that we would look at tax measures. But we said when we looked at tax measure we said that, first, we will look at plugging the leakages and plugging those areas where we can improve on the administration and collection because, Mr. President, at the end of the day we firmly believe that for us to truly become competitive, as a nation, as the Government says it wants us to be, then we need to lower taxes and not raise taxes. We need to cut red tape. We need to increase productivity.

MR. PRESIDENT: Senator Barnett, what's your point of order?

SENATOR DR. C. BARNETT: On a point of order, Mr. President, I think we need to be clear in what we are saying and be sure that we are saying what the book says. I heard the good Senator say just now that there is nothing under Ministry of Economic Development for the private sector, in terms of the priorities and the goals and objectives, and I want to read directly from the book because every single strategic priority relates to the private sector. I am on page 173. We have to be accurate.

MR. PRESIDENT: What page is that on, Senator Barnett?

SENATOR DR. C. BARNETT: Page 173, this is the summary of the Ministry. And if you look at the strategic priorities there, creation and implementation of incentives for foreign direct investment, provide small business development, they are providing for that, regulation of trade and investment policies, that is for the private sector, enable trade negotiation with exporters, those are private people, that is not government exporting, that is private sector exporting, to support private sector development and creation of opportunities for employment, that is private sector as well. I just raised on a point of order of being absolutely accurate and truth to what's being said.

MR. PRESIDENT: Thank you, Senator Barnett. Senator Lizarraga, please continue.

SENATOR M. LIZARRAGA: Mr. President, I was hoping not to have to go through in detail this Ministry, and I had sent us to it. But let us look, Mr. President, if that is what is needed, at the output indicators and the KPIs for what is called strategic management and administration. They took the time to enter one item under the KPIs, and do you know what that was, Mr. President? It was the number of payments processed, 812. And they are revising to say, for 2016/2017, they processed 2,028 payments. How does that help us to reach our strategic objectives of growing our economy? Satisfaction rating of Ministers with policy advice provided 90%. The Ministers are very happy, according to this 90%. Those are the two KPIs that they have listed. What does that tell us that after spending \$1.3 million that the private sector has, in fact, improved?

Now let us continue, and let us look at the output indicators under the Belize Trade and Investment Development services, Beltriade: number of reinvestment proposals developed, two; number of non-incentive programs investment, one; number of new exporters, one; number of ready exporters, five; and that's for 2016/2017. But they have no actuals revised for 2016/2017. They have no projections for 2017/2018, no projections for 2018/2019 and no projections for 2019/2020. Let us go to the outcome indicators: number of new jobs created from foreign investment and EPZs, zero. Let us look at the value of exports and trade development deals, zero, nothing. Let us look at the value of exports and new products promoted, zero, nothing. That is what my book shows. Blank and zero are not nothing, fine, Minister. I stand corrected. Blank does not mean zero. It just means that you didn't do your work. It just means that programme budgeting was not important enough for you. You were not responsible for telling this nation how you spent \$2.4 million. That is what it means. I never wanted to get into it, but I can continue.

MR. PRESIDENT: Please do.

SENATOR M. LIZARRAGA: Thank you. The value of exports to countries which Belize has bilateral partial scope agreement is \$11 million. The value of imports now from those countries is \$156 million. So we export 100, and we import 156. What are the targets for the next budget year and the following years? Blank! I won't say zero. It is blank. So are we serious? We have a plan. It is the Government's plan. The private sector worked many hours with the Government in coming out with that plan. We applaud the plan. We support the plan, but is this book supporting it? Come on! The ship is looking to sink, and are we here arguing about zeros and blanks?

Mr. President, let me start to summarize because I don't know how much more time I have. Mr. President, summarizing then, the budget increases will result in the usual failed solution of business and citizens that are already paying

tax simply paying more and breaking the backs of those that are already broken. These tax measures will encourage increases in the usual contraband. We are incentivizing people to cheat on taxes through contraband when we raise taxes. We should be lowering taxes not raising taxes. We will continue to see contraband coming in from the south, from the west, from the north, from San Pedro, from Placencia, from Melchor and from Chetumal. We will continue to see increased black market trade in currency. The cost of currency has gone up by 40%. Based on these realities that we have found within the budget, there is no cost cutting at all. *Palabras*, that is what we see. Cost cutting, Mr. President, according to the strategic plan and according to the presentations and consultations with the private sector, should have taken priority, and taxation should have been the last resort, instead it is the other way around as usual.

All this Government borrowing and spending has not made us, as a private sector or country, any more competitive nor has it enhanced our governance. Our governance and institutions still remain weak because there are no projections or plans to improve spending in these areas, even after all these new taxes. What you have done is made us less competitive not more competitive as your plan purports to want to do. Did you take us out of poverty? On the contrary, you've made us poorer. We owe 3.15 super bonds, plus not counting all the debts from the Department of Lands and all the other departments. Are our borders and territory safer and more protected after all this spending? Is our nationality more respected and to be trusted, our nationality documents? Do we have a better health care system? Do we have better educational systems? Do we have less crime? Do we have more efficiency in solving crimes and bringing innocent persons to freedom or the guilty persons to judgment? Are our foreign reserves and government's saving's higher or lower? Is our cost of living higher or lower? Where is the sustainable growth in employment and housing and industry, Mr. President? Have we seen the housing situation in this country improved, after all these spendings? Do we see fewer persons losing their homes in the newspaper every week? After all this unprecedented borrowing and spending who has really and truly benefitted, Mr. President? Have we brought to justice those that need to be brought to justice? We have examples, not only in Lands but also in Immigration. What we see in this country today, on the other hand, is an intolerance to freedom of speech, and what we do have is a tolerance and a prevalence towards hate and spite and anger and rage and very little value today on life. You see, Mr. President, we too, in this very House, are guilty you know. We too kill and murder in this House; we too. By our inaction, we kill hope, we kill spirit, we kill dreams, and we kill those that die from our failure to protect and serve them.

Today we are being asked to approve more taxes in spending, when we have not been able to verify the proper management and accounting of our previous budgets. There are billions of spending unchecked because the Auditor General has not been provided with enough reliable and trusted documentation. There are billions in unchecked spending because the PACT has not been functioning and has effectively been killed, and even the majority-control Senate has been a willing accomplice. Where are the sustainable actions from a responsible Government? We are on the brink of an economic disaster and crisis, if we cannot control government's spending, waste and abuse. Are we three times better off today than we were before the tripling of our debt?

Mr. President, let me wrap up. We have a lot on the agenda today. Mr. President, I thank you for your indulgence. And I urge, Mr. President, the Government of Belize and Senators here today, to give serious and sustained attention to the cost cutting measures that we drastically and desperately need in this country. First, Mr. President, I ask, I seriously ask, that we delay signing into force the proposed additional tax burdens before us today. Let us revisit these tax

increases at mid-year budget review, as S.I. No. 95 allows us to do. We don't have to pass it today. Let us work together to be more efficient, to be more productive, and to be more competitive. Let us, as a business community and a government, work together and our people work together to achieve these objectives that are desperately needed. Let us work together to bring an opportunity to those who enjoy and deserve our true and genuine Belizean citizenry. But most especially let us work together for the young people of our country who will either be burdened or blessed by the actions that we take today in this very Honourable House. Thank you very much, Mr. President. (Applause)

SENATOR E. COURTENAY: Mr. President, it appears that none on the Government side wants to support this budget. When I read the title of this budget for fiscal year 2017/2018, "Bouncing Back - A Bold Belizean Recovery", after I fainted away, it brought to mind something that Flannery O'Connor said, "You have to stop confusing madness with a mission." Stop confusing madness with a mission. Mr. President, only a person who is suffering from some severe state of delusion can say that the Belizean economy is bouncing back. The truth is, Mr. President, when a country is in recession, moving to a depression, that is not bouncing back. That is bouncing backwards, Mr. President. That is what we have here. When an economy does not grow but actually contracts by nearly 1%, that is not bouncing back, Mr. President. That is bouncing backwards. When you have wasted \$600 million in oil revenue, \$400,000 million in Petrocaribe money, when you have spent \$8 billion in 8 years and we end up in a recession and a contracting economy, that is not bouncing back, Mr. President. That is bouncing backwards.

Mr. President, last year I ended my presentation by saying the following, "We do not support the budget because it fails to provide any relief to the hardworking men and women of Belize, except for the long overdue salary adjustment for public officers and teachers. It has failed to introduce any fiscal or monetary measures that would stimulate investment and promote economic growth. The budget has failed to allocate sufficient resources to meet the challenges presented by an aggressive Guatemala and the continued illegal activities in border areas and in our southern waters. In simple terms, the budget lacks vision, offers no hope and does not offer Belizeans the prospect of a better tomorrow. It is clear, Mr. President, that under the UDP the best will never come."

Three hundred and sixty-five days later, it is déjà vu all over again. There is no hope and no vision, just bouncing backwards, Mr. President. One year later the economy has gotten worse under the UDP, and the numbers tell the story. And, when we asked why, the answer is simple. And the Honourable Senator Peyrefitte, I know, will come and make a lot of noise in a short while, but the simple reason is the following, we sold out to the bondholders, Mr. President. This budget was drafted in New York, presented to the bondholders and approved by them before it came to this Honourable Senate. That is what happened, and it was designed simply to appease the bondholders and to get the agreement that the UDP are so proud of. That is what we have. And we on this side do not support this budget because it does not advance the interest of Belize or Belizeans. It is for the bondholders.

And this Statutory Instrument, Mr. President, let's take a look at it, Statutory Instrument No. 25 of 2017, signed by the Honourable Prime Minister on the 9th day of March and coming into force on the 13th day of March. That means it is in effect already. And let me just start by saying this, and Mr. Attorney General can check it, this Statutory Instrument is illegal. They are in such a hurry to bow down and kowtow to the bondholders. They say they are doing it pursuant to section 23 of the Finance and Audit (Reform) Act. Check section 23(3) of the

Finance and Audit (Reform) Act, and it makes no provision for this Statutory Instrument. The Minister of Finance exercised his power under the wrong section of the law. It is illegal, but it is worse than that, Mr. President. It is worse than that because we have to ask ourselves, why is it that it has become necessary for us to do this? And, make no mistake about it, it was not something that was voluntarily done. It was something that was demanded, imposed by the bondholders, by the masters in New York. They imposed this on the Prime Minister.

Listen to what it says, “The Minister shall lay before both Houses of the National Assembly budget proposals that are projected to result in a primary surplus in each of the fiscal years 2018/2019, 2019/2020, 2020/2021, equal to at least 2% of gross domestic product.” Mr. President, suppose we have two catastrophic hurricanes next year, suppose we have catastrophic hurricanes the following year, how can the Prime Minister sign a Statutory Instrument committing to do this for 3 years, when he doesn’t know what the circumstances are going to be? Is it that he signed it because he knows that he won’t be around? This is something that is attempting to tie the hands of future parliaments of this country. It is a shackle that is being put on us by the bondholders.

But it continues. It says “The Minister shall seek to ensure that the Ministry of Finance cooperates with the IMF in its preparation of the annual Article IV consultation reports for Belize, and that the Ministry facilitates the publication of the associated IMF staff reports.” Well, Senator Barnett will tell us, “But we do this every day. Every year the IMF comes, and we cooperate with them.” As you said, I already know that. So why put it in a law? Do you know why? Let’s read what it says on the side note, “Cooperation with the IMF required”, code words for a standby agreement, code words for the IMF to come. Make no doubt about it. This looks good, but it is not good, Mr. President. It is not cooperation. It is required. Read it. It goes further, “The Minister shall be responsible to ensure publication of the Fiscal Strategy Statement referred to in Part 3 of the Fiscal Transparency and Responsibility Regulations, 2010. Captioned Fiscal Transparency and Responsibility Regulations, 2010, each year, in addition to any other requirements for such publication and in such a manner as he may determine at the time it is presented to the National Assembly, the Minister shall be responsible to ensure publication at the prescribed intervals the Fiscal Outlook and Mid-Year Review Reports referred to in Part 4 of the Statutory Instrument No. 95 of 2010, Fiscal Transparency and Responsibility Regulations.” Did you heard what Senator Lizarraga asked? Why do we have to pass a law to comply with the law that’s already on the book? That’s a good question. The answer to the question is because the bondholders demanded, and this Government has accepted the insistence and the demands of the bondholders. What the bondholders are saying here, Mr. President and Members, is that there is no transparency in the government. The Government has not been complying with the law to disclose their fiscal strategy, and so the bondholders are saying, “You all have to do it, and I want it in writing, in black and white. Talk about belt tightening, it is belt lashing that the bondholders put on them on, Mr. President. That is what this Statutory Instrument represents. We ought to be ashamed of it that the bondholders have to tell us how to do our own business in this country. Don’t come here and boast about saving money. Come here and tell us that you bow down to the bondholders. That is what the Prime Minister should be saying.

Mr. President, it is a dismal state of affairs that we find ourselves in. And they can shout out what they want and they can do as much TV ads they want tonight on me. The UDP has been in power for the last 8 years. They cannot blame the PUP for the current state of affairs. (Applause) So start to make your ads one time. This Prime Minister estimated that the economy would grow between 1.5% and 2% and that he would oversee a \$4 billion economy. Welcome!

Rather than the economy growing by 2% in 2016, our economy contracted by almost 1%. The Prime Minister explained that there will be a primary surplus of \$37 million or 1% of GDP for 2016/2017. Instead, we have a primary deficit of \$56 million or 1.6% of GDP. The Prime Minister projected an overall deficit of some \$63 million and ended up with a monstrous overall deficit of \$160 million. That's over \$100 million of overspending, Mr. President. In 2016, we earned \$200 million less than what they projected. This is while the rest of the world grew by over 3%. Instead of a \$4-billion our economy shrunk to a \$3.5-billion economy. The Statistical Institute of Belize says that domestic exports, in fact, failed in 2016, by almost \$135 million or more than 25%, and our balance of trade, Mr. President, is now in deficit for over \$1.4 billion. No wonder the bondholders put them in shackles.

And yet what do we have, Mr. President? In presenting the Prime Minister's budget, he didn't want to be frank and open with the people. He didn't have the courage to tell the people that he was going to be imposing new taxes. No, he used alternatives facts. Hear him, according to them, "the Cabinet proposes limited measures". Limited measure? What is the truth, Mr. President? They will "adjust the exercise levy", not true, a tax increase of \$27 million. According to him, "they will amend the departure fee". It is not true, Mr. President. That is another tax increase of \$10.5 million. According to him, they will, listen to this, "bump up the environmental charge", not true. That is a tax increase of \$14.4 million on the Belizean people. And listen to this one, they will "shift the social fee," shift a tax increase of another \$14.4 million. And you would have think that people would get a relief when they say that they will "lower the tax threshold for electricity consumption", not at all. That is an additional \$6.6 million in taxes. Mr. President, and finally this cute one, they will "amend by 50 basis point the stamp duty on foreign exchange permits", not true. That is a tax increase of \$7.7 million. All of that amounts for a total increase in taxes of \$77 million, approximately 2.2% of GDP. You should man up and say you are increasing taxes. Don't use fancy words and euphemisms when you are ramming a *bukut* on the people of Belize, Mr. President. It is time now to man up. That is what we are demanding of this Government. They come here with their audacity, their gall, their temerity, to tell us that this is a bouncing back budget and a bold Belizean recovery. I counted this week alone in the Amandala newspaper 114 pieces of property for sale in foreclosure. I am not sure, Senator Duncan, if I saw any from you bank. I am not sure, but I will go back and check. There are 114 properties being sold. Bouncing back, recovery? This reminds me of a quote, another one. Calista Smith said, "That was your delusion," Mr. Prime Minister, not the Belizean reality. When you talk about a recovery and bouncing back, to paraphrase her, that is your delusion. It is not the Belizean reality, Mr. President.

When we talk to the private sector, and Senator Lizarraga quite rightly highlighted a number of these things. They say that these tax increases will have a serious impact on an already contracting economy. The cost of doing business will increase. The increase in environmental tax by 1% is in effect an increase in the GST, plain and simple. The increase in the cost of foreign exchange, and Senators Duncan and Salazar from the banking industry will tell us about this, I am sure, is going to encourage further black market and illegal dealing in foreign exchange. It is going to also have a direct increase in the cost of doing business in Belize. But most importantly and most regrettable, Mr. President, is that these cost increases will be passed on directly to the consumers in Belize. The cost of living will increase. And for the UDP, Mr. President, to impose these harsh taxes on the Belizean people, especially the Belizean poor, and to continue to boast about being pro-poor is like when a man beats a woman and tells her, "Baby, I only beat you because I love you." The UDP is telling us to enjoy the taxes, it's a recovery. It's like they are beating us and telling us that they love us. Mr. President, it is a

part of a delusion. We say, Senator Barnett, okay. We say that there is no need for taxes and no need for tax increases.

Like Senator Lizarraga, it is important to look at this book because, Mr. President, once we read the correct book, there are many fantasies in this book, and quite frankly the government ought to be ashamed of presenting this book. There are so many errors and mistakes, cut-and-paste job. It is unbelievable. Let us start at page 61. And, Mr. President, I refer to page 61 to show why we say there is no need for new taxes in this budget. This is under the Ministry of Finance, right, and it is dealing with the Income Tax Department and GST. I don't know how to read this: output indicators, under income tax, the number of registered taxpayers is 58,045; the number of tax assessment issued -8,859; the number of audits -40; and the number of tax inspections of businesses and individuals in 2016/2017-87,307. Hold on, there are 58,000 registered taxpayers, and they audited 87,307. It can't be correct. It has to be fake. But it goes on. On GST, the number of registered taxpayers for GST is 246. That cannot be. But let's go below that. And this is the point we wish to make. Under income tax, they say the percentage of taxpayers paying by due date is 87.2%. The number of tax assessment outstanding for more than 2 years is 16, and, of this 16 the amount of tax arrears outstanding for more than two years, \$32.4 million is outstanding under income and business tax for more than 2 years. It goes further, in GST, 610 tax assessments outstanding for more than 2 years. The amount of GST outstanding for more than 2 years is \$27.5 million. Mr. President and Members of the Senate, you add the amount of income and business tax that is outstanding to the amount of GST that is outstanding for more than 2 years and it comes up to \$59.9 million, and they are imposing \$77 million in new taxes. We say no to new taxes until arrears have been collected. Mr. President, there needs to be new measures taken to ensure collection of these taxes, and we say that the law should be amended, and this is what the bondholders should have insisted, to amend the law to require a certificate showing that payment of taxes have been made before you get the renewal of your trade license. And we need also to look at the same thing when it comes to work permits and permanent residency fees.

We know, Mr. President, from this very Senate, under the Special Select Committee, we know of the corruption, and we know of the illegality in visas. Presently there is a charge of \$2,000 for visas for people coming from China and India, but we know from sworn testimony that these people are prepared to pay \$3,000 for somebody to bring the application from Belize City to Belmopan. You are charging a fee of \$2,000, but they are prepared to pay \$3,000 for somebody to bring that from Belize City to Belmopan and on top of that pay Mr. Patrick Tillett another \$1,000. They are prepared to pay \$4,000 in handling fees, Mr. President.

So let us take a look at the revenue figures in the correct book. Mr. President, let us go to page 20. Page 20 sets out the revenue for the last few years and the projected revenue for nationality/citizenship fees, passport fees, permit fees and late immigration fees, and when you take it, Mr. President, in 2015/2016, 1,679 visas were issued and 2,600 permits. That is a total of 4,279, yielding a revenue of \$6.9 million. When you look at 2016/2017, 1,800 visas and 3,000 permits, it is a total of 4,800, yielding a revenue of \$7.3 million. In 2017/2018, it is projected that there will be 2,227 visas and only 402 permits, and that gives us a total of 2,629, a revenue yield of \$7.5 million. Mr. President, we on this side propose that in this fiscal year we increase the fees for permanent residence, work permits and visas for persons coming from China and India who we know are prepared to pay up to \$4,000 more in order for their visas to be handled.

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

SENATOR M. PEYREFITTE: Well, I have a proper point of order. It is Standing Order 74. I know Senator Courtenay has mentioned before, and I don't easily get up and object to the good Senator and Senior counsel. He seems to be passionate today, but Standing Order 74 says that, "The proceedings of, and the evidence taken before, any Select Committee and any documents presented to and decisions of, such a Committee shall not be published by any Member thereof or by any other person, before the Committee has presented its Report to the Senate." The evidence mentioned in that Senate Committee, Mr. President, should not be repeated here. I know if you give a generous meaning to the word "publish" I don't think it has to be written in any document or whatever, but the Senate Select Committee has not finished their investigation. I don't think Senator Courtenay should be mentioning evidence gathered from that Senate Select Committee.

MR. PRESIDENT: Thank you. Senator Courtenay, yes, I've read it, and, yes, the Senate is still investigating, and whoever listens to the Senate hearings it is public information, but in terms that the evidence shall not be published before the Committee has presented its report to the Senate we have not gotten a report from the Senate. You may proceed but just leave out the immigration stuff that you are saying.

SENATOR E. COURTENAY: I know that my fellow colleague has been traveling a lot. So he probably isn't aware that every Wednesday, live and direct, the information is public. So I am not revealing anything that is not public information, and I am not making any report from any Senate Committee. I am telling you that the People's United Party is proposing that you increase the cost and the fees for visas, work permits and residence permit, Mr. President. That is our proposal. So that instead of imposing \$77 million in taxes on the Belizean people you impose it on those who want to come and visit, that is the point that I am making, and I will now proceed.

SENATOR M. PEYREFITTE: Mr. President, can I have a ruling on the Standing Order, after all of that huffing and puffing? What is the ruling?

MR. PRESIDENT: Yes, like I said, Senator Courtenay, it is public information, and whoever needs to hear it can listen to it every Wednesday. So we will leave out the Special Select Committee information.

SENATOR E. COURTENAY: What the Senate Select Committee is revealing is UDP corruption. If we want to cover it up, go ahead. Let me continue, when it comes...

MR. PRESIDENT: Senator Courtenay, excuse me, Sir, and excuse me, Senator Peyrefitte. I am not covering for nobody. All I am following is the Standing Orders of the Senate. You may proceed, Senator Courtenay.

SENATOR E. COURTENAY: Thank you, Mr. President. When it comes to passport on the same page 20, it reveals, and you notice. When it comes to 2015/2016, 2,100 passports were given out or processed. In 2016/2017, it was 2,500 passports. Now listen to this, in 2017/2018, 8,300 passports are going out this year. The amazing thing about that is that, when they process 2,100, the revenue is \$1.4 million. In 2016/2017, they processed 2,500 passports, and the revenue is \$1.2 million. In 2017/2018, they project to process 8,300 passports, and they will only get \$1.2 million. You process 2,500 and you get \$1.2 million, and this year they will process 8,300 and get the same amount of money. Senator Peyrefitte, something must be wrong. We say, Mr. President, give true accounting, and we say further, increase the cost of the processing of these passports so that

we can avoid an increase in taxes of \$77 million. The reason however, the reason why the Government has adopted the route that they have in increasing fuel, the environmental tax and the departure tax, is because they want to do it the easy way. It is imposing the taxes on those areas where it is easy to collect, where nobody can get around it, but they do so without any concern for the consequence of the imposition of these new taxes. And, Mr. President, we say that there is a better way, there is a different way, and there is a way that should be adopted that causes the least pain on the Belizean people and on the productive sector, and we do not support the approach that is being taken.

And I make one further proposal. Take back the boledo and lottery from the hands of the private sector, and bring it back into government revenue. That is what we should do so that we can avoid this tax increase. And we go further, Mr. President, we go further. We need to look at every village, every town, and every city. When you travel around, you see these huge stores and dry goods stores and super markets, huge. Many of them are owned and operated by non-Belizeans. We say that, in keeping with section 16(4) of the Belize Constitution, where a person who is not a Belizean, who is a resident only, that person should pay a significantly higher trade license fee than for Belizeans who are carrying on business. My point is very simple, Mr. President. We need to find the least impactful measures on the Belizean economy at this stage. And the method and proposals from the Government we cannot support because of their impact.

Mr. President, Senator Lizarraga asked the question about UNCAC, a big song and dance on the 9th of December. And what has happened since then? Nothing! We say that you cannot impose taxes, Mr. President, when we have over 1,600 acres of government property taken from the people in Carmelita and given to one family. Why has the Government done nothing about recovering this land? Why has the Government, if they don't recover the land, at least get market price for that land, Mr. Attorney General? Misfeasance, bring a claim for misfeasance in office. That's what we said. Mr. President, we go further, and we say why has nothing been done about the testimony that we got right here? Remember the public testimony about all the irregularities that took place in 2011 to 2013, that the Auditor General has looked into. We are imposing taxes, and nobody is doing anything about holding people accountable. There is no need, Mr. President, let's make it clear, for the police to wait for any report from the Senate. The evidence is right here. It is given sworn, and they should act on the evidence that is coming out of the Special Senate Select Committee. There is no need to wait. Before you impose taxes, we call for the PAC to meet, the Public Accounts Committee to meet. There must be oversight. There must be transparency and accountability. There must be the collection of arrears in taxes, Mr. President, before we come with new taxes.

Let me turn briefly to the Ministry for which I shadow which is the Ministry of Foreign Affairs. Something is radically wrong, Mr. President. And I am challenging the Senators on the other side to condemn the Minister of Foreign Affairs. No self-respecting Senator will sit here today and not condemn the calling of Belizean squatters. We say that that is mismanagement of our foreign affairs. We go further. How can the Minister of Foreign Affairs say that the maritime areas of Belize are not recognized internationally? Mr. Attorney General, I am asking you, I am begging you, just a little bit, to sit down with your colleague. It will take probably sometime, but take your time and go through it slowly, step by step and enlighten the man.

And before we get in to the territorial issue I want to put on record in this Senate that I don't understand why the Minister of Foreign Affairs became so emotional and passionate when they called the name of Ambassador of Joel

Nagel. The truth of the matter is that he was removed as Ambassador of Belize from Austria. The Government of Austria said, "Leave town, and leave town quickly." And what the Minister of Foreign Affairs should say because we know right from over here. Talking about the budget, I am talking about mismanagement of the Foreign Affairs. We know right from the next door at the Ministry of Foreign Affairs that the Austrians wrote and said, "Leave," and then they sent back a diplomatic note and said "Tell us why." Do you know what the Austrians do? They sent a diplomatic note and set the date, "Leave by that date, run." But, and I want the Foreign Minister to deny this, he met with the Minister of Foreign Affairs from Austria, and the Minister of Foreign Affairs told him why, and it is time for him to tell the Belizean people why this country suffered the embarrassment of having one of his ambassadors told to leave the post by a foreign country. We believe, Mr. President, and those who want to check it, who wants to know who Mr. Nagel is, check out Supreme Court claim 235 of 2014. Check it out, Jules.

Mr. President, there is a problem with our Foreign Minister. Section one of our Constitution makes it very clear what our country is comprised of, and it is comprised of all the lands, sea and areas defined in Schedule 1 of the Constitution, and, Mr. President, there is no doubt that it includes the territorial sea to the outer limits as provided for by international law. And the reason we bring this up, Mr. President, is because of the budgetary implications. There are serious budgetary implications. Because of mismanagement of Foreign Affairs, there is still no Sarstoon Protocol. And, when one looks in the budget book, we look and see at what is the increase that is given to the Ministry of Defense to deal with the patrolling of the Sarstoon. There is absolutely no increase. And it is the same Minister of Foreign Affairs who has yet to conclude the Protocol in the Sarstoon.

We go further; there is clearly no intention to have any kind of referendum any time soon until after the re-registration which means that the plundering in the Chiquibul will continue unabated. So we look in the budget book to see what is the increase that is given to Belize Defense Force in order for them to do more intense patrols to check what is happening in the Chiquibul. Absolutely there is no increase. Mr. President and Members of the Senate, we say that this type of activities, and you can look at page 81 of the estimates, and you will see that there is no increase. And more importantly on page 81, and I won't take the risk, Senator Lizarraga, of being corrected. When you look at the number of illegal incursions investigated, I wrote down zero, but it is not zero it is blank. The number of incursions investigated is blank. They are not serious, Mr. President, about protecting and defending our territory. We call for a review of the budget of the Ministry of Foreign Affairs and Home Affairs. There needs to be a new commitment to financial and human resources to meet the existential threat that Guatemala presents. Enough foreign travel on Belize/Guatemala! It is time to spend the millions on the ground and in the sea to make Belize safer from actual Guatemalan incursions.

Mr. President, I want to refer to something that the Leader of the Opposition referred to in his presentation because it is critically important that we present to the Belizean people a different way, a new way, a people-centered way. Whilst the other side glorifies in round-and-bounce and keep going around and around and getting dizzy, while they glorify in that type of thing, we say that money should be spent on the people. And in what he has fashioned as the Belizean bill of rights for our people he calls, first, that every Belizean should have access to a piece of land, and we say that social justice in Belize, in 2017, means that first-time landowners should be given priority to access to land for Belizean first time landowners.

Second, a decent home, Mr. President, the budget should reflect a commitment, not to that one that Senator Lizarraga so eloquently deconstructed in the Ministry of Housing but a proper Ministry of Housing that is giving priority to first-time homeowners. We propose a lease to own project and a proposal for a national housing trust or a national housing fund, Mr. President, that will give people access to affordable financing to lease town their own homes.

Thirdly, we say a renewed commitment to education for every Belizean who should be able to exercise their right to go to school from kinder garden to junior college free, and that is the commitment that we think should be made good.

Fourthly, basic health care, every Belizean should be enrolled in the National Health Insurance Program because, Mr. President, if we can invest \$42 million in one sports stadium, certainly we can increase the budget for the National Health Insurance.

And, fifthly, the driving force behind all of this is jobs, good jobs, Mr. President, that can lead to meaningful careers, jobs that will give Belizeans a chance of personal growth and prosperity. That is what we believe in, Mr. President.

In concluding, Mr. President, these few remarks, we cannot, and we do not support this budget. When Belizeans read this budget or hear the budget speech, they will find out that, except for new taxes, there is no relief, no prospect or plan for a better Belize in 2017/2018. It is, in fact, a bankrupt budget. The main reason for this, Mr. President, as I said, is because the budget is bought, sold and paid for by the bondholders. It addresses the conditions demanded by the bondholders, instead of the Belizean people. And instead of some prosperity what we have is *taxsperity*, more taxes, Mr. President. We have taxes upon taxes. We have a *taxsperity* budget. We do not support the budget, Mr. President, because, as sure as the sun will rise tomorrow, this budget and the new taxes will cause Belize to bounce backwards because it is completely empty of any bold ideas. Under the UDP, the recovery is yet to come. In fact, it will never come. And I see the Prime Minister calls himself the UDP titans. The truth is he is the captain of the Titanic. The ship is going down under the UDP. We do not support this budget, Mr. President. Thank you very much.

SENATOR S. DUNCAN: Thank you, Mr. President. Mr. President, there were many skeptic who felt convinced that the Prime Minister would not have been able to renegotiate the super bond. I think that it is fair to say that he has demonstrated that he has proved his skeptics wrong. And we are now hearing skepticism that the Prime Minister will not be able to accomplish the 2% surplus that is now required from the budget. Mr. President, we have heard a lot of what the budget is about in the context of shortcomings and what is seen as not spending enough in certain areas and spending too much in other areas. It is very interesting because the same people who are saying that we ought to be cutting turn around and say which areas they want us to increase in. I am not sure how you balance that off, but I prefer to leave it to the professionals and the public officers to do their job rather than to try to upstage them in this forum. I believe that they are well-equipped to know which areas they need to redeploy funds, in which areas they need to change monies from which departments to which departments, and to do that and to ensure that we have the best bank for our buck.

What I will say is what the budget is not. And today we have a budget, Mr. President, that is not about retrenchment. The Prime Minister has made it very

clear that there will be no retrenchment and there will be no job losses. And all of those who are trying to spread doom and gloom I think we are far away from that, Mr. President. The budget is not about an IMF program. In fact, when we tried to restructure the first bond on the first occasion, when we tried to renegotiate, there was a call for us to go into an IMF program, and that was resisted. The Prime Minister made clear that he would not enter an IMF program, and he demonstrated then that we have the wherewithal and the capacity to meet the necessary adjustments in our countries and in our finances that we need to do in order to continue to move forward. Back then we had, and I don't know if you may recall, Mr. President, that we had Belizeans going around bad-mouthing our country to the very IMF and the multilateral agencies, and so it is no surprise that these people were reluctant to assist us. In fact, when we tried to do the first restructuring, the IMF didn't want to help. It went further. The IDB who had at first indicated a desire to help changed its mind at the last minute and refused to give the guarantee that we needed to try to get a better deal. So, in fact, the Prime Minister, recognizing what was happening, decided that he had to accept what was available to him at the time and the first restructuring took place. But he recognized that he wanted to go further and do better for the Belizean people, but he couldn't do it all at once.

What the budget is not about is that it is not about squandering the people's money. They may call for spending in other areas, they may want to suggest that we can reduce in some areas, but it is not about squandering the people's money as we've seen in the past where the cash flow of the country was totally depleted. You see, Mr. President, we seem to forget that, in fact, the Government is working from a deficit where they are trying to address a hole. The Prime Minister, I believe, has spent a considerable period of time in office trying to address what the previous administration did, and he has spent a lot of time looking at the bond and trying to restructure the bond and to address things that have been happening there. That is occupying a lot of time. And that was because of the depletion of the cash flow in the country. After we depleted the cash flow of the country and we had no money to spend, we went and we borrowed at high commercial rates. Clearly we had to borrow in order to replace the cash flow. The unfortunate part is that we didn't do anything positive with what we borrowed, and so we were not able to generate any new cash flow from it.

But it did not stop there. We took a most damning step, and on this one I was very pleased to hear the Honourable Senator talked about taking back boledo. Because after depleting the cash flow of the country and after borrowing at commercial rates, we then turned around, Mr. President, and we sold off the assets in this country that were generating income that would have helped us to pay back those same debts. So we now have our hands tied: seaport; airport; ships registry; offshore companies registry; and Print Belize. We sold everything that could had made money for us. So we didn't put the money into income generating assets, and then we turned around and sold those income generating assets that could have helped us to repay the debts. (Applause) So when this Government took office, and that's why I was pleased to hear they talked about taking back boledo you know because when we tried to take back some of the assets, and I agreed with the Prime Minister, under a different hat, as a lawyer, the Senator put up opposition. Up to now we are fighting that you know. So not being satisfied with that they went one step further, and even after the government changed, even after they left office, they still turned around and continued to badmouth the country to make it difficult for the government to govern. We had serious discussions to sell BTL so that when the government acquired it from the Ashcroft Group we would have been able to dispose of it without bringing any hardship on the Belizean people, but, of course, we all remember that one lawyer chose to write to Digicell in Jamaica and said, "Don't invest your money in Belize; don't buy BTL." So

effectively even after the government changed leaders from within the People's United Party continued to interfere and put up obstacles and create hardships, stumbling blocks, for the Government. I say all to say this, Mr. President, that is why we are faced with the kind of budget we are faced with now. Because we had none of our income generating assets, the Prime Minister had to go and try to get back a couple of them. And I am pleased to hear the Senator talked about taking back boledo. It is not my decision, but maybe I could certainly look into it, no.

So it is my belief that the Prime Minister had to make a decision, having come into office where the coffers were bare and there were hardships, stumbling blocks everywhere you turn, your own Belizean people working against you, and you're faced with a super bond that you inherited, that the people who put it there knew then as we know now that the country could not afford, and they left no means of increasing the economy in order to be able to pay for the super bond. In fact, they sold the assets and placed greater strain on the limited resources we had. The Prime Minister had to make a decision. I think we should say, "Thank God for Petrocaribe." So when Petrocaribe came along, Mr. President, we ended up doing things that we should not have had to do again, but we had to do it. We have to live. We have to survive. We have to eat. And so Petrocaribe, to my mind, was a key part of what helped us to survive in this country because there was nothing happening. Mr. President, for the last 8 years the Government, whether through Petrocaribe or otherwise, has been carrying this economy. They have been spending money to keep the economy going through projects, and it is unfortunate that we continue to diss the projects when that is what was keeping us going. The private sector was not investing and the Government had to make sure that we kept the country going. That is what it was used for.

This budget today recognizes, and rightly so, that you cannot continue to borrow your way, and the Prime Minister fully recognizes that. And so there is no intention to just continue to use borrowed funds to keep the country going. We are seeing signs of the private sector beginning to step up. Everywhere you turn you are seeing construction now, Mr. President. But unfortunately there are areas of the productive sector that are not performing. Now that is no fault of the Government. I know they try to blame everything on government. We have our shrimp industry that has contracted disease. We have the citrus industry trying to work its way through greening. All of these are placed in strain, and the banana industry, of course, was impacted by the hurricane. So we are working our way through all these things. That is what is reflected in the budget, that while those things are trying to recover and have to bounce back in the mean time we still have to keep going. So, in recognition of that, in recognizing that, the Prime Minister has, to my mind, taken measures that he recognizes must be taken if we are to continue.

All this, Mr. President, is while we continue to pay our debts. Now let us be very clear. We have not missed any payment on the super bond, even though that super bond was not a creation of this Government. They're respected like any other debt of the country, and they've paid it, and we have not missed any payment. But what did the Prime Minister do? Recognizing that, in fact, the amounts we are paying would have to be increased, he proactively set out to renegotiate those terms and conditions. Again, he did not have the help of the international, the multilaterals, and, again, there were skeptics who said, "Boy, he can't pull that off". Fortunately, for us, he did. And I hear people disrespecting and talking about the cash flow and the changes in cash flow and what it means and how it spells doom and gloom in the last five bullet payments that will be made. Mr. President, bonds are generally not repaid until the expiry date. There is nothing unusual about that. I will go one step further; bonds are very often renegotiated when they fall due. That is not unique to Belize. All countries do

that. All countries have bonds outstanding, and all countries at the appropriate time renegotiate to suit what they are doing.

Why are we using such an exercise as this which benefits the country to try to spell doom and gloom? We know fully well that we are not in a position to meet those principal payments that were coming due. We know fully well that we would be under pressure to pay even the interest that was to be increased. We recognize what is happening with our productive sector, and so the Prime Minister did the right thing. He moved quickly to say to the bondholders, "Let us renegotiate." Now a negotiation and renegotiation, Mr. President, is not a one-way street. There are at least two parties involved. And to feel that we have the upper hand and we can dictate to the bondholders is beyond me. We are the ones who need help. We are the ones who want the terms renegotiated. Clearly the bondholders have a say in all of this. We need them to work with us. So we don't go there big and bad and feel that we can bulldoze our way through and do what we want. You go and renegotiate. That's what it's about. And I feel that we have come away with terms that are first class. We have come away with terms, Mr. President, that the bondholders are asking us to do certain things that we are already doing. They are asking us to do things that even if we are not doing we ought to be doing; in particular, all countries want to have a surplus. I don't think anybody is set out to have a deficit. So, if this renegotiation helps us to work towards that, well, then that is good. That helps us with the discipline, and there is no problem. But, Mr. President, certainly the terms that we end up with today are a thousand times better for this country than the terms which this Government inherited in 2008, Mr. President.

We recognize that the Prime Minister had to make a choice in terms of the BTL acquisition. When BTL was acquired, it was acquired because, in part, of a certain thing called the Accommodation Agreement which placed and which we recognized was going to place significant hardships on the people of Belize. And in the same way, similarly to the way the Prime Minister was so concerned that he had to renegotiate the super bond, could not leave that hardship on us, he did the same thing with BTL. We had a choice. We either allowed it to continue unchecked because that is what we had in place. The Accommodation was like a blank cheque written to the Ashcroft Group, to be filled in by the Ashcroft Group for amounts that they considered appropriate, and so the Prime Minister recognized that that cannot continue. That is what you call following and bowing to the masters. Allowing a negotiation with the super bond to put in a 2%-thing in a budget, a surplus, I am not sure how I see that. That comes out of a negotiation. But to give somebody a blank cheque and allow that person to decide how much they can fill in that cheque for, now that's a different ballgame. And the Prime Minister had to make a decision.

Now I've heard references to houses and mortgages and newspapers. Let me put it this way. The average Belizean, most of us, I would say, try to own our own homes. We know that if we continue to rent you continue to pay somebody else for their home, but the weakness in that is that you still don't own nothing. So people try to go to the bank to get a mortgage to own their home. When you first take out the mortgage, maybe it's higher than the rent that you were paying you know, but do you know what? It is for you. So you tighten your belt, you make adjustments and decide at least that you will own something. Well, listen, the Prime Minister had to make a choice. Do we continue to pay Lord Ashcroft Group indefinitely for any amount that he feels like charging us every year for BTL? Or do we bring it to a halt and decide this is how much we will pay and then we work towards that? So effectively that's what the Prime Minister did. We had to own our own thing rather than keep renting it and paying an amount to be determined not by us but by Lord Ashcroft. At least now we have been able to quantify the

amount and bring it to a halt so that it does not grow any further, except clearly by interest that would be well-and-properly due.

So, to my mind, Mr. President, we are faced with a budget that did not start today. We are faced with a budget that is the product of the licks we have been taking under the 1998 to 2008 government and the legacy of that government with all that they left us with to clear up and that we are still clearing up. Thank God the Belizean people didn't put them back in because, in fact, I would suggest to the Belizean people, that as long as anybody from that Said Musa's Cabinet is on any slate, they should never put them back in power. And I say any, and let me be very clear, because if the UDP leaders one day buck their head and decide to take anybody from that Cabinet to put on a UDP slate you can rest assure that I will not vote for the UDP that year. I do not think any of them should sit in the seat of power for this country again, Mr. President, when you look at the atrocities and all that they have done to us during that 1998 to 2008 period.

MR. PRESIDENT: Yes, what is your point of order, Senator Woods?

SENATOR V. WOODS: My point of order is the same one that Senator Peyrefitte tries to claim, the casting of aspersions. We are not here for that. There was no need for such commentary. I thought we were doing very good, as a Senate, so far on this particular debate coming out of a marathon House debate. Let's leave the political rhetoric where it belongs, not in this Senate.

MR. PRESIDENT: Senator Duncan, please continue.

SENATOR S. DUNCAN: Thank you very much, Mr. President. I thought from what I heard so far from previous speakers, Mr. President, I thought I heard previous Senators before me tried to place in context their submissions on the budget, and I must say that is precisely what I sought to do as well, to place in context precisely why this point. Many would want to suggest that it just started, but it has not just started because it is that this budget has to make allowance in it. If you go, you can see it, Mr. President, allowance is made in this budget for things that started during that period namely, especially, in particular, the super bond. It didn't just start with this renegotiation of the Prime Minister. So, to my mind, Mr. President, I do not feel that this budget is leading us towards any doom and gloom. I feel that this budget is just in a practical sense recognizing where we are as a country and taking steps to make sure that we are able to cut up our two pennies, using our limited resources properly and wisely, and that is what is reflected here. It can never and will never give everything to everybody that everybody wants, and I am using the experience and the good judgment of the public officers who have contributed to this budget to accept what they see as the best way to share up the limited resources. And on that note, Mr. President, I support the budget.

SENATOR REV. A. ROCKE: Mr. President, I rise to comment on the budget. With your indulgence, may I use my notes?

MR. PRESIDENT: Please proceed.

SENATOR REV. A. ROCKE: Thank you. Mr. President, thanks for this opportunity in allowing the church to make its contribution to the ongoing discussion of this Bill entitled, the General Revenue Appropriation Bill for Fiscal Year 2017/2018.

A part of the role of the church here today and always is to see with fair

and unbiased eyes these processes of Government. The church finds itself seeking to forge a balanced perspective regarding what has been said by the two major parties during this discourse. In light of the ardent and fierce debate and contestation of the budget, I must say that this has come as no easy feat.

Mr. President, much of what was said and what the budget tells us seems to be unquestionably and significantly predicated by the renegotiation of the super bond. We say credit must be given to the Prime Minister of Belize for the discretion employed to make what was an arguably indispensable move on the part of the negotiating team he led.

To preface my speech, Mr. President, I was captivated by the commentary passed by Professor Densil Williams, the now Executive Director of the Mona School of Business and Management at the University of the West Indies, during his recent visit to Belize, when he was hosted by a local TV company. He was asked to comment on the Belize budget. Professor Williams, in his analysis, postulated by saying, “In the case of Belize, if you think about it, their debt to GDP ratio is not as high as that of Jamaica, but they are still getting into the very troubled territory, which is, as I said, getting close to the 100% mark. And I’ve noticed that Belize has run primary deficits, maybe for the last three years or so, which is actually worrying because when you are running primary deficits that can also increase in a very significant way your overall debt to GDP ratio. But also worrying is that the fiscal outturn in Belize for the last few years or so has also been negative, mind you, negative not in a substantial way like Jamaica, but I recognize that this time around the projection is that your fiscal deficit is going to hover around 3% to 4.6%. I think your wage bill accounts for about roughly 54% of your recurrent revenue. That’s a lot actually. In Jamaica’s case, it’s roughly 26%. So you may have to look at your wage bill in a more serious way.”

Mr. President, our Government employs over 14,000 people in its services. If one were to take the guidance of the professor this would mean shrinking the workforce. The church is happy that this is not the case as seen in the budget but would certainly caution the Government to do what is needed to be done in order to correct this growing problem. I use this time, Mr. President, to speak of my role in the Special Senate Select Committee. As I look at what is going on, as the investigation is uncovered, we are finding out that there are many public servants and Ministers who for some reason do not take the responsibility, the role, that they are given to work for this beautiful country of us seriously and so causing a lot of our workforce to seem as if though that is not the place that they need to be and they need to find a place to be. The Government is strapped for cash, and it is important that we don’t transfer our problems to another Department, but that these people who refuse to abide by the principles of the workplace may need to find other places to go. The church is happy that this is not so. The Government has not in any way sought to get rid of people but has sought to continue their employment.

Mr. President, as it relates to the way the budget forecasts Government’s expenditure in regards to social services’ disbursement, we note with interest that this area of the budget has been reduced significantly. We fail to understand the reason for the decrease in allocation in what we believe is a very crucial area of attention. The one area we are concerned will be impacted with this reduction is the food pantry program. This has become a household word and a mainstay for an increasing number of Belizean families and an absolute necessity in our low income homes across the nation. How the decrease will affect this is very uncertain. We believe the food pantry must not just be a Belize City initiative but also a fortified national endeavor. So an attempt at reducing this allocation leaves no vision for expansion of this service to the wider populace of the country. As

well, Mr. President, our church community must encourage the Government to do more, in terms of equipping people with skills and creating an environment where citizens can strive for themselves, and not depending on Government for the basic, the very basic needs such as food and water.

Mr. President, as it relates to the tax hike in the electricity bill for those consuming over \$100, this is frowned upon in some quarters and we have had to decipher through the logic of this increase. A \$100 is quite a noticeable sum of money to be paying, especially for poor consumers. So we conclude that there must be a reason, and we hope this can be explained.

Mr. President, it is noted with great enthusiasm the hiking of taxes for spirituous drinks. Honestly it would not have bothered me if that tax would have been increased more. Alcohol, as we all know, can be blamed in past and recent times for a great number of road traffic accidents and deaths, homicides in our homes, spousal and child abuse, problems amongst our youths who wantonly abuse the freedom of access to this widely used drug wherever and whenever they can find it. We believe the families of our homes have been greatly disenfranchised because of this scourge. We are praying that this hike may serve as a deterrent. We are sure many would frown against this hike as it serves as a deterrent, but this is the position of the church, and it speaks to what we believe has been the major cause of the fractioning and the disruption of our families and our core family values.

Mr. President, tax hike for foreigners leaving our shores is also a concern for the church. We would like to appreciate the reason for why certain issues like this one were selected over others. This is a key concern to the churches, since throughout the year, many of our Christian foreign counterparts travel to Belize, bringing spiritual enhancement as well as humanitarian assistance for many of our Belizean brothers and sisters across this great country of ours. Our missionaries and their families, we believe, would be deserving of a return break in their taxes in the spirit of Christian reciprocation. We caution the Government that, in comparison to other tourist destinations in the region, Belize is going to have the highest departure tax for foreign visitors. That must be a concern as well.

Mr. President, as it relates to the agriculture industry, this seems to have come under some recent strain. This is definitely an industry that needs our urgent attention so that it may boost up our productivity for our local consumption and exportation, and, therefore, a boost for our foreign currency reserve as well as creating jobs and new opportunities for our Belizean people.

Mr. President, we might not be wittingly endowed with the ability to speak to the numerical aspect of this budget. Hence our concerns revolve primarily around how the Government hopes to keep its engagement with the poorer class of the citizenry and its social obligation to nation building.

In closing, Madam President, it would be remiss of me if we did not state the church's position on what we believe are hotbed topics that we pray would not blow away like someone said like a little breeze. We refer to the gruesome murder of one of our colleagues, the late Pastor Llewellyn Lucas. The church awaits eagerly the continued proper investigation necessary to bring closure to this heinous act, that the life of our Brother would not just fade away into oblivion, as well the full investigation into the land involving former Deputy Prime Minister from Orange Walk, and a full justice to be done, including all due reimbursements. The budget, as it stands, Madam President, is in need of every extra financing no matter how smaller or little, and so we ask that the Government takes the necessary steps to collect all monies owing to it, especially through

illegal land acquisition.

Madam President, we have listened to the debate, read the documents, and now know it is certainly nothing like last year's budget. We note that much work is required on both the part of the Government and the people of Belize to make this happen. We believe it is a fair description of our fiscal position. We therefore support the General Revenue Appropriation Bill for Fiscal Year 2017/2018. Madam President, I will quote a statement that was said to me some years ago, when a gentleman told me, "We pray for rain. We must expect mud as well." I thank you, Madam President.

SENATOR M. COY SR.: Madam President, Honourable colleagues of the Senate, people in the gallery and the media, let me begin my contribution to this budget for the fiscal year 2017/2018. I am not feeling very well. So I am not going to be here speaking for the 45 minutes or even the additional 30 minutes. But I will do my very best to do what I can do within the time span that I have, Madam President.

First of all, Madam President, let me begin by saluting, of course, our very own Brigadier General David Jones for getting that rank on his studies which was of his dream. And while saying that, I also want to take this opportunity to salute Left Lieutenant, I should believe, Francisco Choc, our very own from the Toledo District. He is not from the city. He is from all the way in Dolores Village. When we want to ask about what we are doing in the Ministry of Foreign Affairs, Lord, these two studied abroad and came back right in to the country. And, of course, I also want to say my sympathy and my condolences to the WPC Corporal Jennifer Hubert regarding that accident that happened over the weekend. Life is short. I remember having a conversation with her just lately, but my condolences and sympathy goes out to the family. So please allow me on that.

But let me then begin by saying that, specifically to my colleague, Senator Woods, I had hoped and wished that I wasn't here politically, but I am here, and we know the reason why they put us here. So I just want to make that clear because she had said that this shouldn't be political, but I am political. That I would want to say, But anyways I am not here to argue on that one. So probably I should just leave it like that. But, Madam President, I want to, on a layman's term, and I am not saying that in the Toledo District we only talk about layman's term, but I want to make it clear that the message that we are sending across is accurate, is acceptable and is knowledgeable to our Belizean people, especially of the Toledo District and, of course, the entire nation.

In talking about all the spending, the accountability and transparency and all of those things, we question about, what are we doing with these budgets being passed, these budgets after budgets? Madam President, I might be one of the youngest. I hope I am still the youngest Member of the Senate. I might look old, but I just celebrated my 31st birthday actually, just recently on the 24th of March. Of course, I must say thanks to all my colleagues who wished me a happy birthday, and, of course, to the Toledo District people who were out there. And let me also not forget, Madam President, because I might run into a little problem here because I made a commitment yesterday, at Tuml Kin at the Mayan day to the hundreds of people there. I had a *caldo* competition yesterday. I still feel full from it right now. I just want to say thanks to the hundreds and the thousands that came up there yesterday. We know that in Belize we are multicultural. So people all around the country travelled all the way to the beautiful Blue Creek yesterday just to celebrate that big day. So I invite the media that maybe after they can come and cover those Mayan day celebrations. It is not on the 24th of March, don't get me wrong. It was a blessing to be among our people yesterday. So I just informed

them that I was going to share a little bit of that as well, Madam President.

But going back to where we are as it relates to my contribution to this budget that I have here, Madam President, it is extremely, and, as I mentioned, the knowledge and the very little experience that I have in parliament, that this budget and the previous budgets, of course, have helped. I recall that when I was a small boy I used to walk barefoot. I recall that my foot used to have blisters because of those rocks on the streets. But I can say right now, particularly in the Punta Gorda Town, or when you come across the towns and cities all over this country, you don't realize it, but you want to believe that you are in another country. Sometimes I really believe that I am dreaming of somewhere else, not in wonderland. It is just over that side. What I am trying to say here and what I am trying to do here, Madam President, is, of course, to send the message across to our Belizean people, that, while we are here going back and forth with the debate and blaming who started what and who started it first, it is plain and clear. We need to make sure that our people never forget the 1998 to 2008 Administration as they are the ones that caused this effect on us. If it wasn't for them, we wouldn't be here today, and we wouldn't be in this mess. So I want to make it clear to my Belizean people that we will not forget. It is because of the confidence, the hardworking, the accountability and the transparency of this present administration, the United Democratic Party, that the people of Belize continue to elect them. The people continue to make sure that they continue to serve in Government, Madam President. But I am saying this, Madam President, because the Belizean people continue to enjoy, and they continue to see the fruitfulness of this. And I agree on this with the Honourable Senator, the colleague over there, Senator Woods. While we were in PG for a funeral, we saw how they welcomed you there. It is like when you come to PG you come to a paradise. But anyways that was her and I then. Don't get me wrong. We were at a funeral. Don't let me get into this situation. We went to attend a funeral with the Senator. We need to understand, Madam President, that we now live in a paradise, and this had never happened during my 31 years that I have been living in this beautiful jewel, nation of ours. What we have today is nothing compared to the previous years when I was a small boy who used to walk, probably with just a short pants and no shirt, on the streets. Today I can simply say that the parks and all of those places where our kids and students enjoy show accountability, Madam President. There is nothing much to say but just to show the Belizean people how hard we are working in this present Government.

When it comes to the building of this nation, I can recall that when I was a small boy I used to hear the Leader of the Opposition, Member from Orange Walk Central, saying, "Bring back the millions of dollars and pay back all of these thing". Madam President, if we were to quarrel about it today and if we were to talk about transparency and accountability, I think that they on that other side should be the last persons to talk about transparency and accountability. That should be the last thing that they should be doing. I can recall that my grandfather used to say, "Son, don't say what you don't know. Think before you say something." That is one of the most powerful messages I will forever hold in my heart and soul, Madam President. I am saying this because we need to, of course, bring back those millions. Hopefully we can get back those millions. And they should not only be talking about non-accountability and non-transparency and whatever they call it, but, man, bring back the millions.

But this budget, Madam President, why I am in support of this budget is simply because I know the thousands of Belizeans, and I am a teacher, and don't let me get into problems with my colleague, Elena, here as we are teachers, but we are waiting and smiling that at the end of next month we are supposed to get, in fact, not only the teachers but the public officers, and our hardworking soldiers

and hardworking police officers and the entire people of nation, we are getting back our 3%. Man, we are going to be getting that extra money in our pockets, and that is what we don't see. That is what we call accountability. They question, what are we doing with the public accounts and all of those things? But, Madam President, these are the things we have to show, particularly in the Ministry of Education.

In fact, I won't go deep into that, Madam President. Let me just say that I love education, and that has been the base of me. I think that all of our Belizean people, and I see my brother, Paul, over there. We are sports man you know, and not because I have a big belly now, but I still run sports. That's my brother there. We run sports. We used to run sports together. But what I am saying here, Madam President, is that when it comes to education, and why I particularly chose education is because, as a teacher, as an educator, I have seen such a tremendous uplifting in education which I had never seen before when I used to go to school. I remember when I used to go to school in San Benito Poite because I am not a town man or a city man, Madam President. I am all the way from San Benito Poite, and my parents are from there too. I used to go to a school that had no thatched roof. You could actually see the moon and the stars, and when it rained you had to placed yourself to one side and with no chair. But I can say right now that San Benito Poite has a spanking state-of-the-art building. And when I say this, Madam President, I am not just exaggerating things, but I am making sure that what I am saying is true, as I have done my homework to say what I say. I've visited these people in the capacity of what I am here today, as a Senator. I believe that this is one of our tasks to do, to touch base with our people out there because we need to understand the reality that is affecting them because we might not know if we only come here. If you go out into the villages and see what actually is happening, then you can come here and make sure that what you are saying is accurate, Madam President.

But going back to what I was saying, when it comes to the Ministry of Education, this budget continues to support the six CXC's that are paid. When I used to go to school back in the days of 2004, I didn't even have money to pay any CXC. Now we can say that our students from fourth form are getting these CXC's paid, and they can even get scholarships to continue on if they pass the six CXC's, including Mathematics and English. I believe that we must do our homework and we must study hard as students. It lies on our hands because it can't just be given to us like that if we don't study. God says that he helps those who help themselves. So that is one of my messages to my students out there. As a youth, I am sending that across that we need to work very hard. We need to ensure that we sweat for it.

Madam President, we continue to enjoy the \$300-subsidy that has been given to the Toledo District and the Stann Creek District and, of course, throughout the nation, to whomever applies and qualifies for it. So for first form and second form the subsidy continues. I have heard the Minister of Education say that we would want to continue this for third and fourth forms, and so hopefully we will be able to do that in a short-time span. When we talk about free education, I listened to the sitting of the House when the other side started talking about free education from preschool to tertiary level. I am wondering because back in the old days we didn't even know what was free education.

I remember, and I wouldn't, unless with your indulgence Madam President, but the Area Representative from Toledo East mentioned that he sent me to school. I want to make it clear here today that if it wasn't because of the Stann Creek management where I used to teach and because of the hardworking young man that you see here today I would have never gotten a scholarship to go

to Cuba. I would have stayed probably out there, but because of how hard I worked and how hard I had to do things I was given a scholarship. What he should have said is that when I applied for study leave to go to Cuba they gave me zero. They gave me nothing at all, and they denied my study leave, but I still fought as the young struggling Belizean individual that I am who came from all the way down south. And I am making it clear that I am here today by the grace of God. He knew what he had for me. But that should have been the message sent across. He shouldn't have said that he sent me. He didn't send me. So I am making that clear. So tonight the media might want to say that and I am not putting you all on the spot. But these are some of the things that we shouldn't lie about to the nation. Man, Lord, we have people listening to us. We can't lie to them. We have to be real. But anyways let me not go further into that one.

Now, Madam President, we continue to see that \$300-subsidy and tuition being paid to school, the state-of-the-art buildings like, for example, Julian Cho Technical High School, and the TCC down south. We also have Corazon Creek High School, now the Vocational Technical Institute in Salamanca and all of those places. I know I am talking particularly of Toledo District, but I know it is widespread across the country. I wouldn't want to touch base on the other districts because I am not too familiar, but I am touching base on what I know in the Toledo District. I am from there. So I will touch base on that. All of the things that we continue to see serve as development like, for example the installation of computers and free internet that are coming into the schools. In fact, when we talk about free internet, we have BTL installing antennas and all of those things around the Toledo District. I am hoping that they can install one at the Corazon High School too so that the students out there will definitely enjoy the internet, but probably it is in the process.

So, Madam President, I was talking about free education on this side in contrast to the 1998 to 2008 Administration that did nothing for education. I will simply say that they did nothing, *nada*. The Belizean people would say, "I wish I had been given the time to talk in my language in Ketchi. Then I would have just tell the Belizean people all about it when we used to go to school." But they know the reality. I come from Toledo. We share the same sentiments that we share there from then. Now I can say that thousands of students from high school, including the three or four five high schools that I just mentioned, are graduating and are going to the University of Belize or to any part of this country where there is a tertiary level institution. So I am thankful for that. This is what we call transparency and accountability.

Man, if you go to Punta Gorda right now, you will see the state-of-the-art sporting complex that we have out there, the Lopez market, the streets built in Punta Gorda Town itself, the upgrading of Bella Vista, and San Isidro and Trio and all of those streets. There is also the building of the Crique Sarco Bridge that you can enjoy now. There was a time when we used to swim across and kill iguana. Now we can just drive across it. We don't really drive down south, Madam President. We ride bike, or we walk across it. So now we can at least walk across that river. We can cross the bridge and smile and knock our chest and say that it is because of this present UDP Government that now I can walk, I can reach and I can buy from Punta Gorda Town and send it across to my house in Crique Sarco. So, Madam President, when we talk about transparency and accountability, all of these things are what we are showing to the Belizean people. Sometimes I pass through there on the James Bus line, and I go around the roundabout that we talked about. Why are we not happy about the roundabout? I believe all drivers, and I believe it is a total disrespect to the drivers when they say that these types of things are a waste of money and that it doesn't show transparency. I believe that every single driver of this country that drive in this

country are very proud to say how is it that these have helped them. I may want to also agree with the Senator from the church. He said that the taxation on drinks might serve as a deterrent to drinking. I really do not do much of those things, but I believe that in this country we are people who like to socialize when it comes to those things. Don't get me wrong. I won't quarrel with the church. I respect the decision of the church. And if that is the decision then it has to be respected because I don't want to get in problems with them. But what I am saying here, Madam President, is that this is what this country is leading to. This is what the Belizean people enjoy.

This is why this present Government is in a third term, and it is possible that it can go into a fourth term and a fifth term. Believe me that you will hold me up to my word when we go for the fourth term and we come back here, hopefully if I do come back. But they will say that the Senator from the south said that they were going to be here for the fourth time, and here they are today. We will make sure that we reach here because the Belizean people will continue to see the great commitment from us. They won't elect us because we don't work. We are workers. We are diehard workers. I remember that I used to go to the farm at 5:00 AM and I would come back at 5:00 PM. There was a lot of sweat on me. But let me stick to the budget because somebody might quickly get up and say, "You are straying away from the budget speech." But that is just for people to understand. Remember that I don't feel good. Just imagine if I was feeling good today I would jump up.

I will continue with education. There is the building of a new school that is yet to be done. I don't want to quote wrong figures here, but we heard from the Minister of Education that we are going to build new high schools. Another one is coming in Pueblo Viejo, Toledo District, our very hometown of ours. Pueblo Viejo, is all the way down to the border. The kids used to, and probably that's one of the reasons why they built Corazon Creek Technical High School. Don't get me wrong, my teacher colleague, it is not because I work at Corazon. We built that high school because there were hundreds of students. In fact, right now we have 320 students at the Corazon Creek Technical High School. These students would have never reached at a secondary school level, and I am proud to say that it is because of that school that now hundreds of our kids are entering into Universities in Belize, hundreds of them. This same young man here, Francisco Choc, who graduated in Guyana with honors and is coming back to serve our country, is a proud product of Corazon Creek High School. Imagine if he never have had the opportunity to go to school he would have never reached there. He would have never seen his dream come true, and he would have been all the way down there, Madam President. But I am glad to say today that it is because of the school at Corazon Creek that we have seen productive and fruitful citizens. Don't get me wrong, but when you go there you will see one of the best high schools, discipline just like the principal of that school, well-disciplined young man.

But, Madam President, allow me to continue saying that we continue to receive the tuition scholarship as well. The Member from Toledo East mentioned the scholarships to Cuba. Yes, they had those scholarships to Cuba. They could have given them out to whomever they wanted to, but probably because of my surname then I got nothing from them. It is just for the record. But I can say that today this administration here has students going to Cuba and Taiwan to study. It is thanks to our partner in education, and you know that, Brother Thompson, that there are sports scholarships that they get to go to UB. I think you are a part of it too. You are part of the selection team. So hopefully you select one of the students from Corazon for me, right. I am making it clear then that we continue to enjoy this free access to education. We continue to see fruitful citizens coming up. I mean that is one of the reasons why when we look across here on this side I say,

man, we cannot continue to mislead this nation. Man, let us stop putting those things there. Let us move forward. It is our responsibility. It is our role. If we want to play politics, then we can play politics and tell them the truth about 1998 and 2008. I might be young to remember all of those things, but definitely I can do my homework and research and bring it back here and say what all needs to be done.

So, Madam President, in wrapping up because I said I am not feeling very well today, I just want to say that the opportunity of being here is wonderful and amazing. It is amazing to see our Belizean people out there enjoying this that we had never enjoyed in the past, but now we continue to see, and we will just continue to work and to give them all that we can do in this administration and not just talk and be worthless in all of those things. We will continue to work with our Belizean people who will continue to enjoy the benefits. I salute every single Belizean. Madam President, thank you. (Applause)

SENATOR O. SALAS: Thank you, Madam President. I must say that one was a very hard act to follow. I had to do my utmost best. I rise to make my contributions to the budget debate, and I ask you for your indulgence to allow me to use my notes. I have a lot of points I want to touch on. So I want to make sure I don't miss it. I am very happy that I reviewed the right document. I spent several days on it. So I am very happy about that.

Madam President, from the outset, I must express my disappointment at what I see as the shoddy preparation of the budget for fiscal year 2017/2018. Even though I am not the youngest of the Senators, I am the most junior of the Senators, and maybe it is naivety on my part, but I expected much better. I was prepared to point out a lot of the glaring omissions, the inaccuracies, but my colleague, Senator Lizarraga, touched on many of those, and I won't spend my time on that. But in my examination of the budget I did notice several items, many items, that screamed to be exposed. You know that has made me question about how serious we take the budget planning exercise. To me, clearly, I call myself a newbie here, we don't take it as seriously as we should. The document Horizon 2030 notwithstanding, I consider our national budget as the closest to at least a medium-term economic development planning tool that we have for our country. It refers to the previous two fiscal years, including the current one, and it looks ahead two years. So you know I understand that programme budgeting was introduced a few years ago, and that should be a good thing, but we have not made it a good thing.

I held various consultations on the national budget over the last several weeks with folks from the private sector and the NGO community, and it became clearly obvious to me that among the private sector and the NGO community there is a deep cynicism directed at our national budget. I note that the cynicism runs deep, Madam President. As I proceed with my presentation, you will hear no partisan grandstanding from me. We in the NGO community are above that. The work of our NGOs will continue, and the struggles to serve our various beneficiaries and audiences will continue regardless of which party is in power. I will therefore leave the partisan grandstanding to the political appointees and the politicians.

Before I delve into the details of the budget, Madam President, I ask for your indulgence to allow me a few minutes to say a few words about why I believe our economy is in a dire state. And this has a direct bearing on the budget that we are debating today because we are losing millions upon millions of dollars that should be going to the government's coffers. I don't call that a leakage. I call that a deluge, Madam President. As we all know, our country is in a bad financial quandary brought about by past policies and decisions that in my mind did not

have the best interest of a citizenry in mind. I want to say three words, “culture of corruption”. We all know what culture we are talking about, Madam President, culture of corruption. That is why I believe we are in a horrible bind in which we find ourselves. And the two major political parties shoulder the blame and the responsibility. As a result, we would hope or I would hope that the Government with the support of the Opposition would therefore work to get us out of this dire situation, not only to service our tremendously burdensome external debt but to also chart out a clear and visionary path for the proper and responsible development of our nation, one in which every man, woman and child of Belize has a stake. But, again, there is a lot of cynicism out there. There is an understanding that the first priority of the political parties is to win elections, when it should be about the sustainable development of our country. Winning elections has become the ends rather than the means. Culture of corruption, that is why we have been saddled with a huge external debt. That is why we are struggling to remain afloat fiscally speaking. The solution should be obvious, but to this newbie apparently it is not. The solution is that we need to, and these are familiar words, we need to cut off the ugly head of corruption. Corruption comes in various forms and results, as I have mentioned, in us losing millions upon millions of dollars, each and every day of every week of every month of every year. The findings to date from the Special Select Committee on Immigration give us a sense of how big the corruption iceberg is. It is no longer conjecture that our governments have been plagued with corruption. If we think that the revelations coming out of the hearings are juicy, wait for the hearings on lands and customs, if we ever venture there. This would make for awesome reality TV.

The message is this, right. Governments predicated on corruption cannot develop a country over the long haul. Corruption has become a way of life in Belize. It is engrained and entrenched in every faucet of our society so much so that we accept, we tolerate and we dismiss many things as business as usual. And it is killing us. A few examples, for the sake of clarity, in this very Senate we have listened to witness after witness, government employee after government employee, describing a culture of corruption at the Immigration Department. In fact, it appeared that there were two departments, the legal one and the illegal one. Everything was or is possible for the right price and if you knew the right people. That is not normally acceptable. From his own lips we have heard our Prime Minister describe the Department of Lands as a hotbed of corruption. We now have evidence of government officials facilitating the sale of national lands to relatives and cronies for a paltry sum way below the market value, and more often than not it was just a front to resell as a real estate deal, all this time while numerous Belizeans are still fighting for their piece of land. Again, that is not normal, and that is not acceptable. As the saying goes, “Hand wash hand, and two hands wash face”. The business of receiving gifts or bribes of cash, property and even high-end trips for facilitating a transaction, doctoring an invoice, or choosing a contractor because of their connections and not their expertise is just that a business. Fleecing the people’s purse is treated as a game, and the object is to see who can get it faster by doing less. And you know, one more example, let us not talk about using government property, for example, vehicles for private purposes or doing personal work during government’s time or worse being paid to do nothing.

Madam President, I can go on and on. It is clear that we are caught in a vicious cycle of corruption, a cycle that must be broken. We have to put a spanner in the corruption works, if we are serious about moving this country forward. My colleagues, Senator Lizarraga, and I believe Senator Courtenay, referred to UNCAC. Signing on to the UNCAC is a great step forward, and I applaud the Government for finally initiating this move, but that is just the beginning. We now need to strengthen national systems for the implementation of UNCAC in Belize.

It is heartening that, with the support of UNDP and other agencies and with the leadership of our Attorney General, I understand that the capacity strengthening process for UNCAC is about to commence. I will defer to my Honourable colleague, if he so wishes to expound on this initiative of utmost importance.

So, yes, our Government needs to develop a true meaningful strategy to combat corruption. We need to clean house. One thing that came out very clearly in the consultations that I did is that the Government needs to put its house in order before it asks the private sector and the citizenry to tighten up. Government's first impulse is to take the easy way out as we have heard from a couple of my colleagues, which is to institute revenue measures that for all intents and purposes are tax increases in disguise. If we do not clean house, we will forever be condemned to a budget that focuses on paying off our huge external debt above everything else. What we need is a budget that focuses on the responsible development of our country and looks years ahead towards a brighter future, lays out the path for us to get there with year-to-year milestones along the way, programme budgeting.

Now, Madam President, let me refer to the budget in some details, because as we all know, the devil is in the details. Since I started off talking about corruption, my first observation is that I did not see, and I think you hinted at this, Senator Lizarraga, I did not see any allocation to support the implementation of UNCAC in the budget. In fact, I decided to try this. I did a search for the word corruption in our national budget, and it came up three times in all 259 pages of our budget, once in the judiciary section, once in the legislature section, and once in our budget for the Integrity Commission, and none of these sections said anything about UNCAC implementation.

One of the strategic priorities of the Attorney General's Ministry, if we turn to page 167, is to develop and enforce clear policies and procedures to ensure accountable and transparent decision-making. This sounds like a good fit for incorporating Government's strategy to combat corruption. So let's see what the budget says about that. If we look at page 168, under strategic management and administration, I note on page 168 that there are three managerial or technical staff that were added, but I saw no reference in the section to what these positions are, neither in the personal emoluments budget, which is a slight increase of last year, nor in the key programme strategies or activities. If you turn to page 172, revision and drafting services, we do note a significant increase in the personal emoluments, but in the staffing resources section the total staffing remains the same, even though the key programme strategies in the section list several new positions to be filled. I can only surmise that these are the three positions referred to under the strategic management and administration budget. I will be very excited about the creation and filling of these new posts, if they were to beef-up the capacity of the AG's Ministry to oversee and support implementation of UNCAC. However, unless I missed this, UNCAC is mentioned not even once in the budget for this Ministry. If we are serious about combating corruption, then UNCAC implementation must be one of Government's key programme strategies, and there must be budgetary allocations for this under recurrent expenditure or at least under Capital II and Capital III.

The AG's Ministry undoubtedly carries out very important work, and I want to highlight one area in particular on page 169. I am very excited about one of the key programme strategies in the Ministry which states, "In conjunction with the Law Revision Project, the Attorney General's Ministry will launch an updated website with public access to the revised laws." Kudos to the Government for that! I've been waiting for that for a long time. Public access to the revised laws of Belize is an important element of our democratic process.

Let me turn now to page 67, our natural resources budget. The programme objective for this portfolio is ambitious, and I wholeheartedly support it. The programme objective is stated as follows, “Improve the quality of life for all Belizeans through responsible management of our natural resources”, and it continues, “thereby enhancing the socio-economic conditions conducive to the growth and development of our country.” This is exactly the kind of development goal we need in our country, if we are to take Belize on the path of a natural resources based economy. In fact, if you think about it, much of our economy depends on our natural resources, agriculture, fishing, our timber industry, the tourism industry, and our utilities, think BWSL, think BECOL, and commodities such as our bottle water, aerated water, our soft drinks and so on and so forth. But I must point out, Mr. President, that our past and present governments have never shown any inclination to develop such a green policy for our nation. In fact, we seem to have a Jekyll and Hyde mentality where our natural resources are concerned. In our analysis of economic performance, we have been undervaluing or completely ignoring the services and functions that our natural environment has provided our nation and people. One of the best resources that we have going for us but that we absolutely take for granted is our natural resources. We need to focus not on GDP but GNP, the Green National Product. GDP completely ignores the value of our ecological goods and services provided by our natural resources each and every year. Green National Product is an index of economic growth with environmental consequences of that growth factored into our conventional GDP, and I could talk a little more about that, but I will stop on that part there. I will just say that this is the type of development vision that our country needs.

If we go back to the budget for the Natural Resources Ministry, while I am delighted in the stated programme objective, one is quick to realize or I am quick to realize that we should call that Ministry the Ministry of Lands and not the Ministry of Natural Resources. Under the section of strategic management and administration on page 68, the listed strategies mostly relate to land valuation sale, land distribution, business processes at the Lands Department. Additionally, if you notice between the key programme strategies and the indicators, there is clearly a disconnect for which no targets are included. So, as some of my colleagues have already noted, there is no way to determine when the listed indicators will be achieved and to what degree, and the same goes for the output indicators. It looks like we share notes, Senator Lizarraga. One strategy, however, is quite interesting, and I wholeheartedly support it. With your permission, Mr. President, I will quote this strategy: “Strengthen cooperation and coordination with other key technical departments such as the DOE, Forestry and Fisheries Departments, Central Building Authority, to promote coordination in the enforcement of natural resources at environmental regulations.” That sounds very promising, but it seems to have stopped where it started. It is just a nice sounding strategy statement. Again, none of the indicators and output indicators relate to it. So we are left to wonder if that wasn’t just thrown into the mix because it sounded good. We would all agree, however, that the issue of land is of paramount importance, especially since we’ve heard about the kind of hotbed we have there. I was therefore pleased, and I must point this out, that on the very same page 68 there is the inclusion of two very important strategies, the institution of an Audit Unit to review and monitor for compliance all transactions of the Lands Department, and the institution of the National Lands Advisory Committee to take on the role of advising the Minister on the distribution and sale of national lands and other key aspects of land governance. I’ve been hearing about this for so long. We’ve needed such strategies for a very long time. We all know that the Lands Department has been used as a political tool for far too long. So I was happy to see those included. But, again, my excitement started and stopped right at those statements. I could not find any budgetary allocation for the establishment and

operation of those two units and committees. So, again, we are left to wonder, are we just left with nice sounding statements? If that is the case, it is another disappointment.

If we look at page 69 on land management and administration, another laudable programme objective. I will read it with your permission: “To regulate and manage the supply and use of land in order to enable national development.” So, if we consider the key phrases there, it is the use of land, the manage and use of lands to enable national development. This certainly is the direction is which our country should be headed, but, again, the devil is in the details. The focus of this programme is almost entirely on land surveying, mapping and titling. In fact, about 97.5% of Capital II and Capital III funds, about \$1.6 million, are focused on that. Only 2.5% of CAP.II and CAP.III, less than \$42,000, are allocated to land-used policy and land management. That is woefully inadequate. It is indicative of the low priority that we are placing on land-used policy and planning. Belize needs a comprehensive land use policy and plan. I understand that such a policy and plan was drafted about 5 to 6 years ago in 2011, but it has never been formally endorsed or adopted. And I also understand because these documents have languished for over 6 years. The entire initiative might have to restart. I also understand that a draft national action plan related to land degradation was presented in 2014. It is my understanding, and I hope I am right, that this document which has some elements of land-used policy may finally be reviewed this year for endorsement. This will be a great start, and it will be very promising to see related projects included under Capital III, but this is not the case. If Government is serious about regulating and managing the use of land to enable national development, then the budget must include budgetary allocations for land-used policy development and the internalization of such policy into everything that we do in government.

If we turn to page 111, Mr. President, it is agriculture. I must say, Mr. President, that this ranks as one of the biggest disappointments that I have with the budget. It is instructive to refer to the vision, the mission, and the strategic priorities of the Ministry, and, with your permission, Mr. President, I want to read a few of them. The vision says, “An agriculture and food sector that is innovative, competitive, diversified and sustainable.” Part of the mission says, “To grow and continue as a key economic pillar, ensuring food and nutrition security, enhance production, productivity, competitiveness, increase market development, increase national food and nutrition security, etc.” Mr. President, these statements, in my mind, succinctly and, in my view, accurately capture where we need to go as a country related to agriculture. But, again, we ask ourselves, does the budget reflect the importance of that vision, mission and objective? Sadly no, unfortunately. The budget does something that is unbelievable. It actually represents what we should not be doing in agriculture. Instead of increasing agricultural production, maybe inadvertently, it creates the enabling environment to increase importation. Instead of increasing food security and food sovereignty, we are increasing food insecurity. Instead of increasing exports, we are increasing and perpetuating importation. Instead of transferring technology, we are importing technology that makes us more dependent. We need to increase the technical capacity of our farmers and not just have them depend on projects. So, in my view, the Ministry’s budget is woeful for a country that boast of having agriculture as the pillar of the economy. Yet, if we think about what proportion of the total budget is allocated to agriculture, it is 1.6% of the total budget of the nation. This mere fact represents a slap in the face, especially if we compare it to countries in our region that are serious in uplifting their agriculture sector. So our Ministry professes that it aims to create the conducive environment for more private investment. We actually need to encourage and promote that.

I want to refer to pages 111, and we are there already, up to 113. On page 112, we find Agriculture Research and Development (Agriculture R and D). The budget for R and D is being cut by almost 70% of the money budgeted for recurrent expenditure. Over 75% of that is for personal emoluments. So we have to ask ourselves, what priority are we giving to research and development? What is that saying about the focus that we need to place on agriculture? The mission says, "To grow and continue the agriculture food sector as the economic pillar". It pains me to say that this budget does not reflect Government's claim that agriculture should be a nationally economic pillar. When we look at the budget, Mr. President, it should be clear to anyone who looks at the budget that we are not serious. We are not really serious about agriculture. Regrettably this has been the case for many years. A case in point, on page 112, under Capital II, countries that are doing well in agricultural production and exportation assigned between 30% to 70% of their budget to R and D, of their agriculture budget to research and development. How much are we allocating to research and development? It is half of one percent, Mr. President. To make matters worse, and I almost laughed at this one, we are allocating \$150,000 to our national agricultural show, 50% more than what we are allocating to research and development for agriculture. That is simply unacceptable. We must correct this, if we are serious about ensuring food and nutrition security and reducing poverty over the medium to long term. But it doesn't look promising when we notice that not one dollar is being allocated for the food security program, and, again, that has been the case for the past several years. As it is usually the case, if we notice on page 113, under Capital III, millions of dollars of project money are being assigned to support sugar and the banana sector. Our country needs, our country deserves, that level of attention for our food and nutrition security program. We need money to invest in non-important areas, for example, to secure and to expand markets for products that we already have and to secure markets for the ones that we do not have but that we must develop.

If we turn to page 115, national agricultural extension services, which aims to provide technical support to small farmers in Belize, almost 85% of this budget is for salaries. So what does that tell us? The staff will therefore only be able to make very short visits to farmers and will have very little means to actually help the farmers with seeds, fertilizers and so on. We can do better than that, and we must do better than that, if we are serious about achieving the vision, the mission, and the programme objectives of the agriculture sector.

I need to say some very brief remarks on the aquaculture budget on page 117, which we should called the tilapia budget because that is all it talks about and that is all it has. Tilapia is a huge risk. It is also very devastating ecologically, and its feed, from what I understand, needs to be imported. It is actually, in my view, a waste of time for the Ministry to focus only on tilapia because it is already an established industry. It would be better to give the businesses to establish tilapia enterprises. A true aquaculture program should focus on native species.

SENATOR M. COY SR.: On a point of order, Mr. President.

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

SENATOR M. COY SR.: I am a bit disturbed when the Honourable Senator is saying that tilapia is a waste of time. At Corazon Creek Technical High school, we have 8 logs, and a log is about this circle or a rectangle square, of tilapia that we are growing. You are telling me that we are growing tilapia at the school and these students are doing it practically with their hands, Mr. President, that it is a waste of time. No, these are some of the schools in the south that are growing it at this moment. My point of order is that, please, don't call it a waste

of time. You know that tilapia is on demand right now as we speak. The last time we harvested about 1,500 pounds at Corazon Creek, and it went fast. I didn't even get a pound to feed my family out of it. My point of order is why he is calling it a waste of time because it is not, and I can argue and argue.

MR. PRESIDENT: Thank you, Senator Coy, and I concur with you. Senator Salas, please continue.

SENATOR O. SALAS: I did not say that, Mr. President, but we can leave that there. We need a real and a true aquaculture program. Tilapia alone will not provide our small and medium scale farmers with the means of an alternative income earning nor will it improve food security, tilapia alone.

While our local market may be too small, tourism provides us with a golden opportunity to expand our agriculture production with high standards. The tourism industry prefers the imported product because of the higher standards. The bulk of our natural production should maybe aimed to supply that tourism niche which would then guarantee high quality for the industry and for our local consumption as well. Where there is a will there is a way. That is the message. There are many examples around our country, if I am allowed to cite one of these, where farmers are doing the best they can with what they have. And with the right assistance they can do so much more. A case in point is the cooperatives, the farmers in the Maskall and Bomba area. In the rural Belize District, in that area three farmer cooperatives focus on commercial vegetable and livestock production and play a major role in supplying a significant portion of domestic food crops. We need to support farmers like these so that they can expand their productions. We have so many farmers that have just been utilizing land many times that they don't even have a lease on. We need to help them with that. We need to help them with farming practices. We need to help them with a cooperative approach to expand their production capabilities. They need increased technical assistance, improved road conditions, improved technologies, as well, as I implied, the land security and financing support. There are cases like that all over the country. I need to say that we are well-poised for agriculture to truly be our key economic pillar. But we will forever be poised without it actually happening, if we do not give our farmers the real help that they so desperately need and have been clamoring for.

Let me turn to page 126, an area that I am quite familiar with, fisheries, forestry, and environmental management. Just what may be a minor matter here but it goes to show that we could have been a little more careful in putting this budget together. Briefly look back at page 111, if you look at the totals for strategic management and administration for fisheries, forestry and sustainable development, those subtotals are all wrong. They are all wrong. You know there is nothing major there, but one might say that it is a minor oversight easily corrected, but there are many such oversights and inaccuracies as we pointed out. But on to more important matters, the work of these three departments, fisheries, and you see Mr. President is calculating. If we look at the three Departments, fisheries, forestry and environment, they are very field-oriented departments. Yet 80% to 85% of their budget allocation is for personal emoluments, leaving only between 15% and 20% for operations. We might say that it is business as usual, but this breakdown makes us question Government's commitment to sustain and enhance the viability of the fishery sector, to sustainably manage our national forest estate and to foster the prudent use and management of our natural resources, our environment.

If we look at forestry resource management on page 126, Mr. President, overall the Forest Department will receive a marginal increase in their budget. It

amounts to 1.5% over the previous year. So that will obviously not give them much more resources than what they had. But I want to highlight that, thanks to the leadership of Minister Omar Figueroa, the Forest Act was recently amended to increase the fines and penalties for forest crimes. That was necessary because the fines for forest crimes did not equate to the value of the timber produce and resulted in petty charges for large operations. So there is an increase in the quantum of revenue from those larger fines and from the proposed increases as is intended to be done under the amended PACT legislation. But these will not have any impact on the Forest Department being able to access funds to improve their effectiveness in protected areas administration. You know, further to this, the inability of PACT and the Ministry to move forward with the implementation of the National Protected Areas System Act and the PACT (Amendment) of 2015 creates uncertainty in the administration of the National Parks System. I have some more comments on the proposed PACT (Amendment) and others, but I will leave that for when we get to those Bills. Suffice to say that the Forest Department is an important agency in the administration and management of the terrestrial natural resource which has continually been handicapped in carrying out its mandate through a consistent decrease in the operational budget. It is evident in the numbers.

On page 126, under Capital II, we notice that only \$85,000 is assigned to the Road Unit Forestry. It is a paltry sum, especially when we realize that that Department is responsible for maintaining 400 miles of forest roads, critical for the timber resource, watershed management, fire management, and national security. By assigning only 10% to 15% of the budget towards operations, we are in effect handicapping the Department. It will be the NGOs, Mr. President, who will have to fill the gap by helping that Department to patrol, to monitor our natural resources and even help them out off fires, you know, even the fire protection and management.

If we look at page 123 to page 125, fisheries resources management and development, it is a similar story, Mr. President. I will start up by saying something positive that there is a quiet revolution taking place in the fisheries industry right now. Again, I need to highlight the leadership of Minister Figueroa, the fisheries administrator and her staff, the fishermen associations and the national and international NGOs. There are plans for a national rollout of what is called the Managed Access Program, as a fisheries management tool for critical species and ecosystems. This promises to improve management in fisheries and prevent a further decline in fish stocks while increasing abundance. Now I must commend the Fisheries Department. If we look at page 123, their programme performance information, they really did an excellent job. They took their time to define strategies, define the indicators, the output indicators, all well-designed. It tells me that the staff of that Department knows what they are doing and where the sector needs to be headed. I applaud the clarity of vision. The Government should be giving the Department the resources that they need to achieve that vision. Yet the Department's budget has been cut yet again for the third consecutive year from what I saw in this document, and maybe more if I had looked at previous documents. Only 15% of the budget of the Fisheries Department is for operations. How can we expect the Department, a field-based Department, regulatory agency, to perform their work effectively, to ensure that important programs like management access have a chance to succeed? On a brighter note, national and international NGOs have been providing much needed support to the Forest and the Fisheries Departments. This will clearly need to continue for the foreseeable future, especially when Government doesn't assign the priority it should to those departments.

On environmental management, page 128 and page 129, that department

obviously has some very ambitious goals. For the new fiscal year, if we look at their KPIs and their outcome indicators, they are projecting to undertake 132 inspections for environmental clearance, 180 compliance monitoring activities, 53 field data collection and validation activities and process and issue 1,420 licenses among other field activities. Yet only 18% of their budgetary allocation is assigned to field operations. How can we expect our regulatory agencies to effectively carry out their field duties and not have to depend on the developers themselves to help them with the resources to carry out their work? That is conflict of interest. Clearly our country needs to attract foreign investments as a way to stimulate our economy. We need to attract the right types of investments that will bring meaningful jobs for our people, investments that will not irreversibly destroy the very natural resources that we depend on. The DOE additionally, Mr. President, has projected to review and evaluate 11 environmental impact assessments as well as to issue 95 environmental compliance plans. They also project that there will be 180 developments complying with legislation, and 95 developments will be environmentally sound. Yet they need to ensure all of that with less than \$200,000 for operations. That is a handicapped department. There is a paltry \$5,000 a month for fuel. Yet we expect the DOE to monitor these developments at the lands, the cayes, across the length and breadth of our country. I just see that, to move on from this one, as shooting ourselves in the foot.

If we go on to page 130 and page 131, I have just a few comments on climate change and sustainable development. We have been completely missing the ball and we continue missing the ball. We have mistakenly been treating climate change and sustainable development as an environmental issue when, in fact, climate change is essential to our very survival as a nation. We are part of the small island development states that all will suffer from the ravages of climate change. I am not exaggerating. Sea level rises is an existential threat. As a small country, there is very little we can do to stem the tide of climate change. We might not be able to do much, but our Government and our people we have an obligation to do all we can to ensure that, as a country, we can adapt and actually thrive in the face of climate change. We can thrive in the face of climate change, if we do the right investments in technology. For years now, Mr. President, we have been tackling on climate change and sustainable development as just one other government unit with a paltry budget of \$219,000, as we can see on page 130. This unit does not even have a programme objective. Now, just to wrap that one up on climate change, climate change adaptation measures and sustainable development policies must be incorporated into our national fabric, into our development strategies and everything that we do. It needs to be reflected in our national budget while we can still do something about it.

A few comments on tourism, which starts on page 135, the tourism industry, and in particular the overnight sector, has been one of the bright spots, one of the few bright spots that we have had growing for our country. Some of us have referred to tourism as the mainstay of our economy. At the end of 2016, overnight arrivals resulted in a 13% increase over last year. It was higher than forecasted and the highest we have had in over 20 years, as far as the rate of increase. The end result was a total of over 385,000 overnight visitors in 2016, with an average length of stay of like 6.2 nights, an increase over the previous year with an average daily spend of about US\$153, which is why I much prefer overnight tourism to cruise tourism. They spend more in the country. The total number of hotels increased from 844 last year to 861 in 2016, almost 600 additional rooms. But hotel occupancy decreased, and we have to try and figure out why that is the case. Tourism stakeholders across the country have been complaining that they are not feeling the benefits of the reported increase in arrivals. Some are wondering if it is the air-B-and-B effect. Whatever it is, there is a disconnect somewhere that needs to be resolved at the earliest possible time.

The estimated contribution of tourism to our GDP, Mr. President, is 30% in 2016. Yet only half of 1% of the entire national budget is allocated for that Ministry which has as its objective, “To promote sustainable economic growth through responsible tourism development.” Eighty percent of the money, all Capital III expenditures, is assigned for sustainable tourism project, about \$2 million, and \$3 million is being assigned to the Belize City urban rejuvenation project. So Belize City alone is getting 50% more than the infrastructure development funds for 4 emerging tourism destinations, Caye Caulker, Corozal, Toledo and Chiquibul Mountain Pine Ridge Complex.

In the area of tourism development and infrastructure on page 137, 95% of the budget is for recurrent expenditure, leaving basically nothing for actual tourism development and infrastructure. So, again, it begs a couple questions. How long will our tourism industry boom, if we do not assign adequate resources to continue developing the product and increase it to higher standards so that the people want to keep on visiting? Repeat visitors, that’s the key. What investments are we planning to make to ensure that our tourism industry remains competitive? We need to remain competitive. The Harvest Caye cruise port is now in full swing, and we must ask ourselves what is that doing for the local economies of southern Belize. We are investing \$3 million in Belize City to make it more attractive for the cruise passengers and other visitors, but I didn’t see anything in the budget for the south to prepare for the onslaught of cruise visitors. There will be an onslaught. The half million dollars of ESTP funding will not even make a dent in southern Belize. It is about half a million dollars over several years for southern Belize only. I must share that we are already hearing some negative impacts coming out of the Placencia area, where prices for fish has skyrocketed, and residents are saying that they cannot get fish like they used to. Why? It is because the cruise facility has been buying it all to feed the huge numbers of their visitors. The job of the Ministry is to promote sustainable economic growth. We must refocus on that. In its search for new revenue measures, the Government has turned to the tourism industry, and I should leave that for a little later because...

MR. PRESIDENT: Senator Salas, excuse me, can you please have a seat? Senator Courtenay, can you please do him the favor for me? Do you want him to continue?

SENATOR E. COURTENAY: Absolutely! I move the Motion, pursuant to 41(2), that the Senator be allowed to continue for half an hour.

MR. PRESIDENT: Thank you. Senator Woods.

SENATOR V. WOODS: I second that Motion.

MR. PRESIDENT: Please continue, Senator Salas.

SENATOR O. SALAS: So that means, Mr. President, that I’ve used up the 45 minutes?

MR. PRESIDENT: Yes, you have, Sir.

SENATOR O. SALAS: Wow, okay. I only have a couple more pages of notes. Alright, I will leave that for a little later, but we should be assisting new airlines, low fare airlines, to come to Belize, to make the country more accessible and not to make it more expensive, focus on penetration pricing. We, and I believe Senator Rocke referred to us being one of the most expensive destinations in the region. We need to focus on that. We need to make sure that we do not shoot ourselves in the foot again. The more travelers that come to Belize equals a

stronger economy, a stronger tourism sector and more revenues for government. It is simple mathematics, if price goes up the demand can go down. Mr. President, it should go without saying that increased taxation is generally a bad idea. It does not make the economy grow. It encourages more corruption, if people try to beat the system.

I want to comment on the last section that I decided to focus on which is defense, starting on page 206, I believe, yes. We need to applaud our heroic coastguard and BDF. They have always been underfunded. Yet they are expected to patrol and protect our maritime and terrestrial borders, including conducting patrols, search and rescue, law enforcement, and resource protection. Our BDF additionally is expected to defend our national territory and to always be at the ready. The budget allocation for maritime security is \$11.7 million of which 98% is for recurrent expenditure. Only \$235,000 is assigned under Capital II, and I found this very interesting, \$75,000 of that is assigned for maintenance of streets and drains. I asked myself, why do we need to maintain streets and drains for maritime security? I am quite curious how we came up with that one. Anyway, how effective can we expect our coastguard to be when only 25% of its budget is assigned for operations? Likewise the BDF, 99.5% of their budget is assigned for recurrent expenditure, and 71% is for personal emoluments. So they have less than 30% to dedicate to operations. I notice that on page 206 it was about 3 years ago that I believe they got a new fleet of vehicles, and if you notice they have been spending a lot of money with servicing and maintenance and repairs, in particular repairs and vehicle parts. So, essentially, no Capital II and no Capital III funds are allocated for defense. It means that the Ministry will continue as is without any further development of infrastructure. It is a really scary prospect, when we know that our borders are encroached upon everyday on a daily basis by land and sea.

I must mention a plug for our NGO community that several NGOs work along very politically sensitive areas, for example, on the Sarstoon, our southern waters, and the Chiquibul, our western frontier. Once more NGOs that work in these areas will continue to support the work of our security agencies and work closely with them, doing activities that should be the purview of this state. So looking at the Chiquibul it means that FCD, we all have heard of FCD, they will continue looking for support to do patrols. Such national security activities should be done by the government, first and foremost, not by our NGOs. It must be said that in these times of increasing cross-border activities and challenges to our sovereignty our security forces should be receiving more not less resources for operations and infrastructure development.

Now, you know, heading towards wrapping up, Mr. President, the IMF has pointedly warned against additional domestic borrowing by government, recommending that government formulates and implements a resource mobilization strategy to speed up productive sector expansion and national income growth as a basis for increasing revenues. We have to ask ourselves if that is possible. Is there the political will and technical competence to move this forward? Or is there only a persisting proclivity for more of the same? I also need to ask this about government's capacity and willingness to purge itself of the debilitating state of corruption which prevails. Improvements in these areas, Mr. President, are absolutely necessary components for the better conduct of public affairs together with capable management of the public finances and the national economy.

As I move towards concluding, Mr. President, allow me to share some of the views of our NGO community that I consulted with about the state of our economy. We feel, as we all know, that the economy is in a bad state, a poor state.

The economy is much worse or so much worse than three years ago. We are extremely concerned about the state of the economy and what that would mean for the works and the programs that we must undertake, and overall amongst our community we have a neutral or negative outlook for the economy over the next 12 months. Many in our NGO community and many private sector actors that I spoke to are of the opinion that the poor state of our economy is as a result of several reasons, principal among them, as I have mentioned, corruption, poor economic planning, the need for a better management of our public funds, our crushing external debt, the lack of vision and strategy for the sustainable development of Belize, not quick fixes but the sustainable development of Belize.

So we offer what we think are the top priorities to boost the economy. A few of them, of course, some are obvious. We need to demonstrate fiscal discipline by reducing borrowing, and when borrowing is essential restricting it to mostly loans with concessionary conditionalities. We need to show a better mix in terms of our investment priorities, place more emphasizes on the productive sector and our human capital, enhance our human capital versus investing only in physical infrastructure projects. Both are necessary for national development, Mr. President, but we need to focus more on the former. I won't go into corruption again because I have spoken about that enough, and we just need to say that that needs to be nipped in the butt, and I look forward in supporting the capacity strengthening to implement UNCAC. Our Government needs to create incentives for smaller and medium sized ventures such as lower interest rates at lending institutions, duty exemptions, items for the sector investment in product development and marketing. We need to revise tax policies so that the large corporations pay a fair share of their taxes. The tremendous leakage of government revenue that I implied, that I referred to, must be plugged. That would bring in, and it won't be easy, it is a lot of hard work, and it will need investment in human resources, to get the people train to do their job, but it will bring in millions upon millions of dollars of much needed revenue to Government coffers. Again, it goes with what some of the people I consulted with in the private sector said. We are being asked to tighten up. So we expect Government to clean house. Government must control its revenue-to-expenditure ratio to ensure that we can generate, as we have heard, at a minimum, a primarily surplus equivalent to 3% of GDP in the new fiscal year and at least 2% in the following three fiscal years and a couple of others.

I end, Mr. President, with a note about our NGO community. The contributions, financial, technical and social contributions, provided by our NGO community have many times been dismissed and discounted. In fact, I need to share that just last year a senior Minister told me that the NGOs have done nothing for Belize, that Government has done it all. Well, I know better than that, representing our NGO community. We should know better than that. Our NGOs need to be recognized and respected. As we enter what will be tough times this year, the urgency of unity has never been more pressing and the need to plan and stick to plans has never been more critical. That is the context for the calls for transparency, the calls for legislation, the calls for leadership and bipartisanship, a multi-bipartisanship.

Mr. President, there are three possible directions we can take regarding how we will vote on this fiscal budget 2017/2018. I expect our Government Senators to support the budget for political reasons. I guess they must do so. They are expected to do so. I expect our Opposition Senators to vote against it for similar reasons. As for us, they call us the social partner Senator. We can vote for in support, against. We can also abstain, but that will be an abdication of our senatorial duty and responsibility. So we only have two choices in front of us. Mr. President, thankfully I am not beholding to any political party. So I can vote

according to my conscience, my principles, and my moral compass. So, for all the reasons that I have stated, I simply cannot support this budget. More work needs to be done on it. I would be glad to support a budget that is better prepared. And with that, Mr. President, I thank you.

SENATOR A. SALAZAR: Thank you for the opportunity, Mr. President. Pursuant to Standing Order 33(6), I would like to seek your leave to read portions of my presentation. Senator Courtenay, I will ask for your assistance at 3:45 P.M. if you don't mind. I am just kidding. I won't take that long. At the outset, I will say that this budget has my support. Mr. President, I listened intently last Thursday and Friday to the presentations made by my colleagues in the National Assembly. On the Opposition side, Mr. President, I am constrained to say that a disservice was done to our people. What I heard could clearly not have been the product of any intellectual perusal or dissection of the budget. I heard a lot of people say that they would not support the budget, but I am still waiting to hear why. I am still waiting for the Opposition's suggestion for closing the budget deficit. I must admit and I must confess that my colleague, Senator Courtenay, under some of the rhetoric, did offer some suggestions. So in that context, Mr. President, I am compelled to defend this budget from those unwarranted criticisms. I don't think that anybody took the time on that side to engage the budget with a sober and discerning mind, with a view to constructive comment and criticism.

Mr. President, this debate after all is about the proposed General Revenue Appropriation Bill and not an opportunity to grandstand and make political promises in rehearsed political stamp speeches. Mr. President, I heard the Leader of the Opposition gave what I can only characterize as a speech which is more appropriate for a political rostrum as opposed to a debate in the House on the proposed General Revenue Appropriation Bill. Following up on that, I heard the Right Honourable former Prime Minister, Member for Fort George, gave a speech beating his chest for so-called accomplishments during his tenure, in a fashion, Mr. President, that made me call to mind that old tale by Hans Christian Andersen. I must confess though that I am unclear as to which of the protagonists in that tale he is more akin to. Is it the naked emperor who believed the fatuous fantasy that he was sold or the two weavers who knew quite well how to stitch a tale for the gullible?

Moving on from that in what has now come to be expected, another ranking Member delivered a speech pregnant with idiomatic expressions but barring of substance. How serious can you take the finances of our country when you take the opportunity that you've given to deliver constructive criticism and to add to the national discourse and use it instead to joke about suicidal dogs? The business of Government is serious. It is for men and women of character. It is not for political rhetoric, delusional chest beating or merrymaking. As such, I will defend this budget, and in doing so I can't promise however to spare the Opposition from their fair share of blame for Belize's current fiscal position. I see some smiles from across the way. Mr. President, I will pause here to remark that the Opposition keeps saying that the Government should stop the blaming, the blame game, and that too much time has passed since the last PUP Administration and now for us to insist on that blame. Well, Mr. President, I would love to do so. I would love to stop, but in reality the stance taken by the Opposition makes it impossible for me to do so. You see, when you would pretend to lay the blame on our Prime Minister and point to his policies as the reason for external debt issues, knowing full well that this is untrue, then the obligation of any responsible UDP is to point to those facts, and to set the record straight. And this inevitably involves pointing the finger for responsibility squarely back at the PUP. So to the PUPs I say this, and I will borrow the words used by my learned colleague, the PUP

needs to man up. They need to man up and take responsibility for what they have done. Confess your sins, admit the wrongs and apologize to the Belizean people. (Applause) When you do this, when you accept those wrongs, only then will the UDP have no need to continue to remind the Belizean people of what you did during those 10 years.

As I said at the outset, Mr. President, I support this budget as it transitions from last year, contrary to what has been said. It transitions from last year which sought to anchor our economy with stability in a time of change. This budget now promises the dawn of a period of recovery from our brief contraction. Again, as was the case in last year's budget, this budget demonstrates the administration's firm commitment to our public officers to finalize the increase of about 25% in salaries for a total expense in the region of \$90 million, despite our lean economic times. Mr. President, as I noted on this same occasion last year, it is very easy for anybody with a mind intent on criticism to sift through the pages of the budget and to find something or the other to complain about. The reality is that we are a poor country. We cannot have everything. It would be nice for us to go through everything and to have all the money we want to develop all the programs that we've been talking about here. But the reality is that we are, in fact, a poor country, and this certainly cannot be done. It is also quite easy for anybody to paint a picture that is totally false, if there is no regards for facts. I intend to put this budget in its proper context, as I did last year, and to assist in the separation of propaganda from reality. Mr. President, if you listen to the Opposition, you would have to believe that this Government has been absolutely careless, in fact, reckless with the country's finances and that we are in a position today with an austerity budget, as a result of our policies. The reality is that these Administration's policies have, in fact, serve us well and will continue to do so in this fiscal year.

Mr. President, there are several fallacies being perpetuated by the Opposition, and I view it as my duty and obligation to set the record straight. The first is the suggestion that the admittedly challenging times that we are faced with are the results of UDP Government policies. Mr. President, nothing could be further from the truth. I wish to address this first fallacy, one, I term the blame-borrow propaganda. I will ask for your kind indulgence, Mr. President, as I did last year, to compare briefly with the economies of our sister countries in our CARICOM integration movement in order to demonstrate how the management of our economy has been sound and prudent despite our challenges. I did this last year, but I feel compelled and obliged to do so again. If we look at the GDP growth by percentage and we compare it with Barbados, St. Lucia, Trinidad, and Jamaica, over the course of 2011 to 2015, we certainly fared off much better than our neighbors. In 2015, we had modest growth of 1%. We compare this to Barbados which had 0.9%, Jamaica also had 1%, and Trinidad and Tobago actually had contraction over that period of time. In 2012, Belize had 3.8% growth, while Barbados had 0.3%, St. Lucia had contraction, Trinidad had 1.4%, and Jamaica also had contraction. So, if we really are sober-minded and we really want to look for the facts and we really want to see how we have been performing, in comparison to our neighbors, we have been doing well, despite the gloom and doom and the Chicken-Little's-Sky-is-falling suggestions.

So you see, again, Mr. President, if we look at another major economic indicator, we can see the impact of this Administration's policies. Annual percentage changed in inflation, Mr. President. If we look at the years of the previous administration, starting in 2001, it was 1.1%, 2.2%, 2.6%, 3.1%, 3.7%, 4.2%, 2.3%, and ending in 2008 with 6.4%. Whereas, in the years following that, under the UDP Administration, the annual percentage rate of inflation hardly has ever risen above 1%. In 2015, it was at 0.9%. In fact, the historic high in the

change of inflation occurred in August of 2008, at well over 9%. Mr. President, this is not a coincidence. This downward trend in inflation is not coincidence. It is as a result of determined fiscal policy. Otherwise you would not see that dramatic downward trend.

I want to add here as well that the level of unemployment is also at, and I am not sure if it is at its lowest, but it is at historically low levels, the rate of unemployment. We can see again, Mr. President, as I have said, the Opposition would have Belizeans believe that our lean times are the result of our policies, what I have term as the blame-borrow propaganda. The reality is, however, that these issues are not indigenous to Belize, but, in fact, they afflict our entire sub-region and the region on a whole. These are, indeed, difficult times for our Caribbean economies. This is no secret, except, perhaps, to some in the Opposition.

Mr. President, from as early as February 20, 2013, the IMF published a report entitled, "Caribbean Small States: Challenges of High Debt and Low Growth." The paper examined in some detail the many challenges that the countries in our region, and I am quoting from that. "The paper examines in some detail the many challenges that the countries in our region face," and concluded that, "Many Caribbean small states are at a critical juncture, and bold strategies to address the challenges are essential. This paper highlighted the major problems that need to be tackled: high debt, low growth, mitigation of vulnerabilities and strengthening of financial systems. Given the magnitude of the effort required, no single bullet exists to address all of the challenges in the Caribbean. While fiscal adjustment is unavoidable, given the extent of fiscal and external imbalances and the debt overhang, the smallness and vulnerabilities of these countries make adjustment exceptionally difficult."

I now quote from an article in the Miami Herald coincidentally dated one year ago, March 27, 2016. It is entitled "Caribbean economies continue to face growth challenges in 2016". The article accurately predicted that Caribbean economies all together were only expected to grow by 0.2% in 2016. In further noted that "The region faces a mixed economic outlook, as Zika threatens tourism goals, and falling commodity prices impact the fortunes of exporters. Caribbean nations that export hydrocarbons and minerals, for example, can expect to see their trade numbers deteriorate."

In a paper published in 2015, by the United Nations Economic Commission for Latin America and the Caribbean, entitled "Preliminary Overview of the Economies of Latin America and the Caribbean", it was noted that, and I quote, "A number of scenarios and possible risks will arise in the global economy in 2016, and will unquestionably affect the course of economic activity in the Latin and Caribbean region. Projections for the next few years are for low global growth sustained by slow-but-steady recovery in the developed economies. Serious risks remain, however, which could jeopardize that trajectory. Aside from the euro zones ongoing difficulties, uncertainty has been mounting over the future performance of China and the emerging economies in general. In the case of China, the most likely scenarios point to continued economic slowdown, that growth rate of 6.4%. Trends in emerging economies are clouding the aggregate external demand outlook for the countries of Latin America and the Caribbean." It goes on to say, Mr. President, "The combination of tighter liquidity in external financial markets and terms of trade shocks will reduce international financial flows to many of the countries in the region. As capital inflows decrease and outflows rise, in turn this will prolong exchange rate volatility and oblige the countries to make greater use of international reserves to finance current account deficits, increasing the likelihood that the region is now facing not only an

adverse trade environment but also a much less benign financial environment.”

You see, Mr. President, the point of this entire discourse is to demonstrate that the issues that we now face are much bigger than Belize, but rather there are regional problems, and we cannot lose sight of that. It is simply disingenuous, Mr. President, it is simply disingenuous for those who know better, and some of them really do, to pretend as if this is as a result of homegrown economics. This is utterly false. Now that I have debunked the PUP myth that our problems are home grown, Mr. President, I now come inevitably to delivering most of the blame, squarely where it belongs.

I will remind you, Mr. President, that the IMF in the report which I just cited spoke to high levels of external debt playing a significant role in the problems which we now face as small Caribbean economies. Well, Mr. President, we all know what is the primary cause for this in Belize. I will remind you, Mr. President, that when the PUP took office in 1998, they drove up the external debt from 48% of GDP to 89% of GDP by 2008, from 48% in 1998 to 89% of GDP by 2008. The fact of the matter is, Mr. President, that from the first year of that Administration they started borrowing at commercial rates on commercial terms from commercial banks. I will remind them once again that this Administration has not, as far as I understand it, borrowed a single penny at commercial terms. So, in 1998, the first year that the PUP took office they borrowed US\$12 million from Citibank in Trinidad and Tobago, for what, Mr. President? It was for budget financing. That was to balance their deficit at commercial rates.

Thereafter, Mr. President, you see these are things we need to remind people of because it is easy to get lost in rhetoric. Thereafter, Mr. President, there was a series of 35 other loans at commercial rates, 4 in excess of US\$900 million, 35 loans at commercial rates during that 10-year period in excess of US\$900 million. Mr. President, 20 of those loans were, can anybody guess, for budget financing, 20 of the 35 loans were for budget financing to close their deficits. We in this Administration are going on 10 years of this budgetary exercise, of taking care of our revenue and expenses, without borrowing a single penny at commercial rates, (Applause) ten years the same period. Now when the Prime Minister says that he is not going to borrow at commercial rates he is serious. And so let us not say that the money that was borrowed in those 20 commercial loans were for x, y, or z. They were to balance the budget. That is a fact.

Mr. President, I wish to look at, if you would allow me, to read from the IMF's 2006 Article IV Consultation Report. I have it here. This is the 2006 Article IV Consultation Report on Belize, and it says, “The economic slowdown partly reflects the tightening of fiscal and monetary policies over the past 18 months. Taxes were raised”, and let's not forget that this is what the IMF is saying, and we are talking about raising taxes. “Taxes were raised, capital expenditures cut, and monetary conditions tightened.” You would think that this is the first time in history that this is happening in the way we've been hearing some of the rhetoric. “As a result, the primary balance shifted from a small deficit to a surplus.” And this is when it started, “Despite the progress in correcting macroeconomic imbalances, the outlook for 2007 and beyond remains a concern. Scheduled debt service is very high, and Belize faces large fiscal-and-balance-of-payments financing gaps next year and beyond.” This is the background given, “Over the past 25 years, the country has enjoyed strong growth,” this is in 2006, “as well as price and currency stability. Real per capita income has more than doubled, while social indicators such as infant mortality and primary school enrollment have also made impressive gains. However, living standards still lag in some aspects behind those of neighboring countries, and”, this is a very important part, “Belize is now confronted with a heavy public debt burden, a sizeable external current account

deficit, and a slowdown in growth.”

It speaks about the policies beginning in 1999. “Taxes were lowered, public investment was increased, and cheap credit was provided to the private sector through the state-owned DFC and SSB. As a result of these measures, the overall deficit of the central government rose from an average of 3% of GDP to almost 10% of GDP during 2000 to 2002.” It rose from 3% of GDP to 10% of GDP. And I’ll go on. It says, “The large current account deficits were principally financed through a build-up of public debt, which almost tripled”. I am not the one saying this. This is the IMF. “The large current account deficits were principally financed through a build-up of public debt, which almost tripled from less than US\$400 million in 1998 to US\$1.1 billion in 2005. The government, however, was initially slow to address the rising fiscal and external disequilibria, but the receptiveness to the Fund’s advice”, when the rhetoric is that we now are taking advice from IMF and that means that the IMF is coming. Well, the IMF is saying that the then government of the day there was, “receptiveness to the Fund’s advice increased when Belize’s capital market access became impaired.”

If you permit me, Mr. President, I wish to go on. It says, “The government of Belize has been affected by several major governance scandals which contributed to the sharp increase in external public debt since 1999. The most egregious cases involved failed privatizations and questionable financial transactions, including, one, lending by the Development Finance Corporation (DFC). The state-owned DFC increased its assets by about 25% of GDP during 1999 to 2003. However, by 2004, already 40% of its assets were either unproductive or nonperforming, reflecting serious conflicts of interest and poor corporate management and oversight. After mounting losses, the government had to refinance and assume directly an estimated US\$210 million (more than 20% of GDP) in external guaranteed loans to the DFC. In late 2004, the authorities announced their intention to wind up the DFC and later replaced its management. Since then, loan operations have ceased, and the balance sheet has been reduced to about US\$200 million. The authorities are currently working with the IDB on a strategy for orderly liquidation of the remaining DFC assets.”

Now we all know the story about the rescue of the DFC, but this is the story about how it failed, not in my words, not in the words of our Prime Minister, but in the words of the IMF. It goes on, “Mortgage securitizations: The DFC and the Social Security Board (SSB) were active in securing loans against future mortgage receivables, raising about US\$150 million in 5 operations between 1999 and 2002. The most controversial case involved a US\$45-million loan from a U.S. bank, which was raised by the DFC to be in part on-lent via domestic financial institution to two local companies that had ownership ties with senior DFC management, and which promptly defaulted on their obligations. The government is still exposed to contingent liabilities of about US\$28 million from this operation, while having already assumed external liabilities of about US\$65 million for the other four mortgage securitization operations.”

Next, “Telecommunications privatization: After the privatization of the national phone company, BTL, and the expiration of its monopoly in 2003,” or so we thought, “the government awarded an exclusive service contract and loan guarantees to a private telecommunication company, INTELCO, whose founder and owner was the Chairman of DFC. To enable INTELCO to actually operate, the government re-acquired BTL, established an interconnection agreement between INTELCO and BTL, and re-sold BTL to a private U.S. company. However, this company later defaulted on its payments, forcing the government to acquire BTL for a second time. The government finally sold BTL back to its original owner, albeit at a significant discount. INTELCO failed, and the

government assumed its foreign obligations of US\$20 million. Legal disputes related to the involved transactions are still ongoing.” This is in 2006. I am very unhappy to say that it is still ongoing in 2017.

“Two high-profile investigations were initiated in 2005, to shed light on the operations of the SSB and the DFC, respectively. While investigation of a Senate Commission on the SSB was completed in July 2006, the work of an independent Commission of Inquiry to investigate the DFC is ongoing.” Mr. President, we are talking about SSB and about the government’s policy in relation to SSB.

I want to read something else from this IMF consultation. “The authorities also tightened liquidity by channeling Social Security deposits to the Central Bank.” Nobody got interest on the deposits from Central Bank. As far as I know, SSB was not getting interest on deposits from Central Bank. Now when you seek to buy shares which are going to gain revenue for SSB there is the complaint. Anyways that’s for another matter, but I just want to highlight that the IMF was complaining that Government channeled SSB funds to the Central Bank “starting in May 2005, and by increasing the cash reserve and liquid asset requirements in three steps of 1% point each between May 2005 and September 2006, to 10% and 23%, respectively.”

There was a comment made by the former Prime Minister as well. If I remember correctly, the comment was made that the then Government of the day did not default on any of its obligations. Well, this Government has not defaulted on any of its obligations. That statement was inaccurate. “The authorities have remained current on their debt obligations, but in mid-September they announced that debt service payments to two special purpose vehicles, which formed part of an issuance of insured bonds, had not been made. The government explained that this action was driven by the country’s acute liquidity difficulties and the need to conserve the very limited pool of useable reserves.” That’s what the IMF had to say about the then government. The whole point of that, as I said, my intention is to defend this budget, these government’s policies from unfair and unwarranted criticism, because it is this sort of activity, this sort of behavior, that has really gotten us to this position. So the point I am making is that we must meet that propaganda head on. The problems we face are, indeed, regional. This is not homegrown, except for the high external debt which I’ve already explained where that was grown.

Next, I’d like to address the BTL propaganda. Mr. President, much has been said about the acquisition of BTL, and it is being painted somehow as a personal vendetta by our Prime Minister. Mr. President, we should be very careful not to travel down that road. The intention is to embroil the BTL acquisition into personal politics and political innuendo. This is a deliberate attempt to mask the benefit brought to the Belizean people by this acquisition. Mr. President, it has always been a policy of this Government that BTL should remain in Belizean hands and that this acquisition of BTL is the culmination of that policy. Mr. President, from as early as March 24, 2004, the Prime Minister, then the Leader of the Opposition, in an interview to Ms. Janelle Chanona, who was here this morning, the interview was related to the sale of BTL to ICC/Jeffrey Proser, and the Prime Minister remarked then on the 24th of March 2004, “We are on record as being welcoming of foreign investment on the right terms, but any particular deal that is against the interest of the Belizean people we must fight against, and this deal, in our view, is so terribly against the interest of the Belizean people that we are compelled to oppose it to the very last”. And that is precisely what we are doing. We are saying that, first of all, there was never any need for BTL to move out of majority-local control. So from the start, when 52% were sold to Carlisle,

we were against it. We had privatized BTL. We were the initiators of the privatization. But we always insisted, and that's why now there is this difficulty with the current Articles of Association because we had tried to make it such that it would be next to impossible for majority control to pass out of the hands of locals.

So you see, Mr. President, the issue of BTL has always been a matter of policy for this Government. It is well established, Mr. President, despite what anybody may say. BTL is going to eventually, and in a matter of short course, pay for itself by all accounts. I am not sure what accountants the representative for the Chamber of Commerce was referring to, but the firms that did the numbers for the Government of Belize as well as for the Ashcroft Group both arrived at similar figures.

The fact is that over the period to 2025, which was the intended operative period of the Accommodation Agreement, Government stood to make over a billion dollars from BTL. So Government stood to make over a billion dollars from BTL over the period to 2025. The Ashcroft Group, as I have said, and are you looking at the clock? I have 7 more minutes. The point I am making is that it is well-known by anybody who really is looking at it, and I like to use these words, with a sober mind, can see that BTL will pay for itself. It is going to be an asset for the Belizean people. Now, if the Accommodation Agreement had stood, all that revenue would have gone into private pockets. The position is now that, if let's just say what the Chamber of Commerce has said, BTL will not garner the amount of revenue that is projected, then we will deal with that, but the fact is that the asset is ours. On the contrary, if the Accommodation Agreement had stood and BTL did not make the amount of money that was projected to make, not only was the asset not ours but we would have had to pay for it still. So I really cannot understand how we can complain about acquiring BTL. Anyway you take it we win because it is going to pay for itself, and if it doesn't in that period of time it is still ours, and if we didn't make it ours we were going to pay the bill any way and still not have it.

So the next item I would like to address, just briefly as my time is waning.

MR. PRESIDENT: Senator Michael says he has your back.

SENATOR A. SALAZAR: My time is waning, and I don't want to impose on anybody to have to get up at this time, but I want to address as well the Petrocaribe propaganda. The reality is that it doesn't matter how you twist it and how you turn it you can see Petrocaribe. You can see it. All of us who came from Belize City drove over some of it. We look around in every municipality, and we can see it. We can touch it. We can feel it. The Petrocaribe funds stimulated our economy. It created jobs, and we cannot deny that. (Applause) Much has been said about the Falcon Field. I think my friend may mention it again in its presentation. Well, you can see the house that I was born in San Ignacio 40 years ago from the Falcon Field. And that field did not change for maybe over 35 years. And what we have there now is a vast improvement, and it enhances the lives of those people who use it. Falcon Field was never designed for commercial basketball purposes. If you want to play basketball in order to make money, then build your own facility. Falcon Field was for recreation. So when you complain about the facility that is really petty. The fact is that we have seen vast improvement. It is something that the community appreciates and to pick on it is really disingenuous. Mr. President, I won't labour much on the Petrocaribe but only to say that we can see it. We don't have to find it in Fresh Pond. We don't have to go and look for it in Shawville, and we don't have to drive off the road to find the gains that we've gotten from the Petrocaribe funds.

Mr. President, the point is that this budget presents a balanced measured approach. The IMF paper to which I referred spoke of the need for bold strategies to address the challenges. Mr. President, the Government has had to undertake bold strategies to address the systematic challenges that face our region and those homegrown challenges that we have been saddled with. The Government has been able to resist cause by the very IMF to increase our GST take and to increase the take from income and business taxes. The reality is that because of these challenges we must undergo some belt tightening and trimming, all of us collectively. I've heard comments being made about the ship, comments about a titan, but the ship is really the titanic, and it is about to hit the iceberg. That is not so. We are in some choppy waters, and we will steer ourselves through because our captain is no pirate. Thank you.

SENATOR P. THOMPSON: Mr. President, I rise to make my contributions regarding this General Appropriation Bill, 2017/2018. I ask your indulgence in referring to my notes.

MR. PRESIDENT: Yes, you can refer to your notes.

SENATOR P. THOMPSON: Thank you, Sir. Mr. President, “Bouncing back, a bold Belizean recovery” is a pretentious title of the budget speech that this Prime Minister presented a couple weeks ago. Mr. President, after such a grisly and horrific weekend, 72 hours of carnage, misery and disaster, I am discouraged, disheartened and downright angry at the depths where Belize has now sunk. Our country, our jewel, our home, look at what we have become. Look at what we are leaving to our children. Look at what will be our legacy, that is, if we don't turn things around fast. Bodies and body parts piling up each year, irreparable social decay, a broken judiciary, rising poverty, sickness, unemployment, hopelessness, this is the real Belize, far, very far from that Utopia, that Garden of Eden, that wonderful place that we hear the Prime Minister and his sycophants talking about each day. They seem so disconnected from the real Belize, so disconnected from suffering the empty pockets, the hungry bellies, the broken dreams and the broken hearts of mothers grieving for their sons and daughters. On tonight's evening news and probably for the rest of the week we will seat in our homes and shake our heads about the tragic incidents of this past weekend, and then the cycle will continue next week and the following week and the next week. For at the end of this week on April 1st, yes, All Fools Day, the people of Belize will be faced with another \$80 million in new taxes. They will be forced to begin yet another fiscal year of struggling for mere existence, another year of being taken for fools. Eighty million dollars in new taxes, Mr. President, this is what this Bill that is before this Honourable Chamber seeks to place on the already weakened, shaky backs of Belizeans. And these are not just for the upcoming years. This is for every year thereafter, well, at least until the end of this Administration's tenure, at a time which I am sure cannot come soon enough for most Belizeans.

Mr. President, I would first want to touch on sports a bit and highlight two things that I think the Belizean people need to know. In the programme performance of the sports section on page 105, it explained that the Government of Belize held basketball tournaments for over 3,000 primary school children in the past fiscal years. Mr. President, I know for a fact, and then I checked that the primary school basketball competition has not been held this fiscal year. So either the Government was trying to slip this in, or this is just misinformation. Let me give you another example, and I won't touch Falcon Field this year. Last year parliament had allocated \$4.5 million for the Marion Jones Sports Complex in Capital III, but Government ended up spending \$2.7 million, and in Capital II Government says they spent \$400,000 for the management of Marion Jones,

imagine, for the management of Marion Jones. What's going on there? Only security guards I know I see there. Man, these are just blatant lies. You want to tell me you spent \$3 million on Marion Jones, \$3 million over the last fiscal year. I personally visited that place about half a dozen times during the course of this past year. Very little has happened over the last year. Maybe some sheet rocks they've put in. They've put in some rooms, but not much else. Yet Government says that they spent \$3.1 million. Someone needs to tell us on what did the Government spent that \$3.1 million, and how much have they spent combined over the last 9 years. Some people say it is close to \$40 million. Some people say it is \$30 million. The people of Belize have a right to know. It is their money that Government is growing under an undeveloped and incomplete white elephant. This upcoming year the budget for the Marion Jones is nothing. It is zero, and praise God not another dollar of taxpayers' money will be wasted there, but by the same token it would suggest that this facility is completed. So why then have we not heard about the opening of the new Marion Jones Stadium? Mr. President, there can be no opening because there is nothing to show that is commensurate with the millions of dollars that were spent there. There seriously needs to be an audit of that place to determine what was spent and whether we got value for money. I hazard to guess that some people got really wealthy for this monstrosity and very little to show for it.

My colleagues in this chamber and in the House of Representatives have come across so many of these lies and so-called errors that it makes this document almost worthless. So I won't go into the details that I see here. I will just say that it is gross incompetence and misinformation, Mr. President. Mr. President, the question is though, how is it that we got here? How did we get to debating a budget like this one for yet another year? Mr. President, I recently read a quite enlightening article about the sugar industry in the Caribbean. This article estimates that since the days of slavery and colonialism for every ton of sugar produced by the Caribbean one slave died, one ton of sugar, one dead slave. Just imagine the toll of millions of tons of sugar produced over the last three or four hundred years and you will get a perspective of the magnitude of that assertion. You see, in the not so distant past, the Europeans owned cane plantations in the Caribbean and which Africans and Amerindians were used as slaves to work to enrich the Europeans. Indeed, the riches from the plantations were used to develop Europe into what it is now, while generations upon generations of the descendants of slaves grapple with poverty, diseases, illiteracy, landlessness, and hopelessness. For the younger generation in Belize out here, the scene would have slaves work the cane fields outdoors and grin in the heat of the sun, while living in inhumane conditions, but there were also slaves that worked in the house that were butlers, that were cooks, and that were laundry people who did whatever work the plantation owner commanded them to do inside. The slaves that worked in the fields were referred to as field Negros, and the slaves that worked in the house with the plantation owners were called house Negros.

Now let me get back to the UDP and what has caused us to reach this place that we are here today where they are proposing to tax us to death. You see, Mr. President, over the last nine years, nine full years, it seems they only speak of three things. Of course, they speak of the super bond, which continues to be a favorite scapegoat, and nine years in. And they also speak of the BTL nationalization and the Petrocaribe program. We all know about the Petrocaribe program. Some streets were built, some roundabouts were built, and some overpriced sporting facilities, \$900,000 for Falcon Field, when it is worth about \$300,000. They also spent on tacos and pibil, as we heard, but most importantly those monies were spent on winning elections for the UDP.

SENATOR M. COY SR.: Mr. President, on a point of order.

MR. PRESIDENT: Yes, what is your point of order, Senator?

SENATOR M. COY SR.: On a point of order, what does tacos and pibil and what's not have to do with this budget? Stick to the budget. Stick to what your contribution is. Please don't talk about the hurricane and the tamales.

MR. PRESIDENT: Senator Thompson, please continue.

SENATOR P. THOMPSON: As for the BTL nationalization, Mr. President, what I call a dagger to the people's heart wrapped in velvet, we will end up paying Mr. Ashcroft almost \$600 million for that company that experts valued at close to only \$150 million, a company that reportedly only earns \$20 million profit per year. A \$20 million return on an investment of \$600,000 gives a rate of return of 3%. In fact, if you add the additional millions of investment in the BTL 4G and fiber optic lines, just to keep up with the competition, this rate of return is reduced to virtually nothing. What an investment! It is not hard to determine who really benefitted from this so-called nationalization and the infamous Miami settlement deed. The Lord of Chichester has laughed all the way to the bank with a chunk of cash, courtesy of his boy, the Prime Minister. But I am not surprised. This has been a pattern of this Government, and I am not talking about the incompetence or lack of ideas, lack of vision and incessant corruption. I am talking about the fact that contrary to what they would want us to believe it is obvious that they have constantly place foreign interest ahead of the interest of Belizeans. They have treated Belizeans as second-class citizens. They have treated foreign interests as masters and Belizeans as slaves. You see, Mr. President, there have been several opportunities by this Government to make a positive difference in this economy by looking out for us, Belizeans, but in all cases they have favored foreigners over our locals, and now we are left collecting peanuts from industries that could have created...

MR. PRESIDENT: One second, Senator Thompson, what is your point of order, Senator Peyrefitte?

SENATOR M. PEYREFITTE: The Senator asked for permission to refer to his notes. He is not referring to his notes, Mr. President. He is reading his speech. I have to ask you to invoke what you asked us to do, don't read. He is not referring to notes. He is reading.

MR. PRESIDENT: Yes, Senator Woods?

SENATOR V. WOODS: Mr. President, I can understand the weariness setting in because it has been a long day, though there are 11 more Bills to go through. However, you did allow Senator Rocke to read from his speech, as you are calling it, and Senator Salazar read a very hefty portion from his papers or from his surface tablet. Please let's be fair.

MR. PRESIDENT: Number one, Senator Woods, Senator Rocke referred to some of his notes, and I was watching, right. I've said it before that Senator Salazar is quite new to the Senate right here, and I give him a leeway. We, Senator Woods, have spoken, and I have spoken to Senator Thompson quite a number of times. I have spoken with Senator Lizarraga also on reading the speeches, right. You can refer to your notes, but the Standing Orders is quite clear that you cannot read prepared statements in terms of your entire speech. Please continue, Senator Thompson.

SENATOR P. THOMPSON: Thank you, Mr. President. I guess I am the

one that you guys pick on every time, but that's fine.

MR. PRESIDENT: No, no. Senator Thompson, no, please have a seat, and let me make a statement. I am not here to pick on anybody. I am here to manage this meeting and to make sure that everybody has their say and their way, including time extensions and stuff like that, but when you say I am picking on you that is quite unfair, right. I've seen you read that statement from the start. I have not said anything, but when the Honourable Senator colleague makes a point of order I will just have to tell you that you cannot read from your statement, and you know the Standing Order is quite clear. Thank you. Please continue, Senator Thompson.

SENATOR P. THOMPSON: Mr. President, back in 2011, when the cane farmers wanted to buy the BSI sugar cane factory from Tate and Lyle and take control of their destiny, that financing process was torpedoed, Mr. President, and the cane farmers were locked out, and right after that ASR was brought in by the Government. The farmers were slapped in the face and told to never to forget who they are. You are *cañeros*. And they should stick to their *machetes*. This Government watched as the Cane Farmers Association that was in existence for 50 years splinter and spit in three, and today the association lacks the critical mass and unity to negotiate strongly against a multinational ASR. This contradicts the Prime Minister's pro-poor policy. There are serious times ahead for the sugar industry that once made families in the north self-sufficient, transformed out of poverty, independent and even wealthy. Today those families are experiencing some hardship, Mr. President. They are faced in debts, unable to pay their loans and in many cases unable to pay their children school fees.

When the Belizean citrus farmers wanted to buy back CPBL from Banks Holding of Barbados, who since their entry into Belize have not spent one red cent, every effort was made to frustrate and block the CGA by agents of the Government. When the CGA was getting close to controlling CPBL, SSB was induced to strong-arm shares from the CGA, leaving the CGA with a minority sharing in CPBL, a company that once held 99% of the shares. Production is once again forecasted to decline this year. The good Senator Duncan can tell us about this, I am sure.

Lat in the second term of this Administration there were negotiations with Norwegian Cruise Lines and the Government of Belize regarding the Harvest Caye Project to build a port. An MOU was signed in 2013 with NCL, while conversations were happening with a local group in regards to the State Bank Project. We all thought that it was going to be a go. Well the Stake Bank Project has never materialized, and the Belizean national who proposed to create 3,700 new permanent jobs was taken for a ride by his Government. This is a situation where this Government chose a project that is owned by foreign interest over one that is owned by a local business interest. And now Belizeans can't visit a Belizean island as they have mind and cannot spent Belizeans dollars there. Everybody knows that Mike is Midas, everything he touches turns to gold, that is, except under this UDP Administration. The question is, Mr. President, who is it that we work for? Ask yourself that question. Who do we work for? Who is it that the Belizean Government is working for? Is it the Belizean people or the foreign interests?

And the list goes on, Mr. President, down south the Government chose U.S. Capital Energy over the Mayans. And here in Belize City, like my colleague said earlier today, the Government even privatized our beloved boledo, with Brads given this lucrative franchise while the root Belizean boledo sellers have become a thing of the past. These were significant opportunities to make a

difference in our economy. In the case of boledo, the rural Belizean jobs, the business that created it was locally run, and gone is the potential for over \$20 million in revenue to the Government. Instead, the Government settled for \$2 million and only from Brads, while this year the taxes we will have pay as Belizeans will be \$80 million.

When this Government says that they are pro-poor because of their boost shield and food pantry programs, it is really tantamount to the house Negros throwing out some scraps to the field Negros, some leftovers from the table of the plantation owners. After all this is a billion-dollar budget, and with half of the population considered poor then \$5 million out of a budget of \$1.2 million is equivalent to crumbs, indeed. It is equivalent to the house Negros telling the field Negros, "I am doing my best to get us free, but you have to hang on, man". Meanwhile the field slave is thinking to himself, "Man, this house Negro's belly is really getting big." That corn road that the lady used to rock has now become straight and blowing in the wind. We can't trust them anymore. Do you see where I am going with this, Mr. President? It has become apparent to me that this UDP Administration has really become house Negros. They are not working for the people of Belize. They serve the non-Belizean interests, not our national interests. They serve foreign interests. It has become quite clear. The Representative from Mesopotamia likes to say that the PUP is for the rich people. He has not looked at his party's history. It is the UDP that represents the wealthy and fatten themselves doing so, while the masses of people remain thin and frail, beaten down by the draft of the hand that life has dealt them. It is this Negro mentality of our leader that is killing our country, stifling the very life out of our people.

So, Mr. President, as I wrap up, in days of slavery they would be referred to as house Negros, and in 1990s rock vernacular would called them sellouts, but in today's more pointed lexicon the people would say, and I am sure that Senator Peyrefitte will know this, *scammers dem di ya*. And I've said before in these Chambers that everything always seems to be about politics and optics, all kind of "ics" but not economics. Where are the plans to create new jobs, I ask? Where are the plans to reduce the cost of living no matter what? What are the plans for Belizeans to own a home, to educate their children, and to maintain their dignity beyond getting a handout from a politician? There are no such plans in this budget, Mr. President. The country is bankrupt, and the UDP is bankrupt of ideas, visionless, absolutely no vision, Sir. The Bible says that where there is no vision the people perish. The budget is a celebration of imaginary accomplishments and abstracts successes and farfetched expectations. In Creole, they say, "*lone abstract*." For those who stand and cheer this fabricated celebration, those with PhDs and legal and banking degrees, I say, speak truth to power, I say put down your glasses of red wine, your nice SUVs, your upcoming exotic Easter vacation and stop being a sellout and a scammer. Take off your glasses and see this budget for what it is, a hoax, a joke, a bunch of contradictions. You say you are for the poor, but yet you spend less than 1% of the budget on the poor. You say you are fighting crime, but you will spend less on police wages this year. You say you are for the youths, but you continue to spend more on buying new vehicles and ungrowing the population of youths. You say you want to create employment, but yet you tax the people on fuel and electricity. You say you are for the poor, but KMH still charges \$25 to see a doctor. You say you are for the poor, but housing is an afterthought in this budget, and you are not even protecting the houses that are already in existence. You cut the budget for fire fighting. You say you are for the poor, but the greatest job creation in this country, new police and BDF recruits have been shelved and the new recruits told, "Sorry, next year". Mr. President, I stand with the excluded, the poor people of this country, the oppressed, who have taken on this \$80 million tax burden and the additional \$60 million in reduced spending. I therefore, Mr. President, cannot support this budget.

SENATOR E. SMITH: Thank you, Mr. President. I rise to make my contributions to the General Revenue Appropriation Bill, 2017/2018. And, Mr. President, I ask for permission to refer to my notes, please.

MR. PRESIDENT: Continue, Senator Smith.

SENATOR E. SMITH: Let me just say outright, Mr. President, that I am here not representing any political party, neither the Opposition nor the Government, but I am here representing a party which I refer to as the poor people's party which for me is the Belizean people. Now I want to look at the title of our Prime Minister's Budget Speech, he said, "Bouncing back, a bold Belizean recovery". As my colleague in front of me said earlier, I too am a proud product of the south, and I can recall playing jacks, and I can recall bouncing ball while I was there. And I know that when you bounce it goes to different levels of heights, depending on what you use to bounce. So it can go inches high, feet high, and it can go yards high, and so we have to look and see how high are we going to be bouncing or how far are we going to be bouncing back. I also noted that the Prime Minister said in his budget speech, Madam President, that the economy will experience a muscular 3.5% recovery in 2017. Now this could be music to our ears, I guess, if you could more pointedly see how this will be achieved, and so I want to take a look at some areas of the budget. I am not going to go into much details because my colleagues have gone into much details, and so I will just go through just a few of them.

Again, I must first commend the Government, Madam President, for the consultation that you all had with us. I can recall my presentation last year when I said that we did not have any consultation. And, as we had said at that meeting that we thought that it would be more productive if we were called together with the Chamber or the social partners, and so we still maintain that position that it would be a bit more productive if we are brought together to discuss the budget during these consultations.

Now I want to look at the Ministry of Education for a moment. And, as my colleague here, again, we seem to have a lot of things in common you know, Madam President. We are from the south. We have been quite successful, I believe, I know I have. Thank God for that, and we are both educators. He is 31 years old, and I have been teaching for 31 years. So from the time he was born I've been teaching. I guess that's the difference, right. But, yes, I want to take a look at the education part of our budget which, as we know, starts on page 93. Madam President, growing up in the south and recalling my education, I can recall clearly that when I was going to school we engaged in programs such as basket weaving. We did things such as making jams and jellies. We were taught to do crochet. We were taught to knit. All of these things we learnt, and I believe that those skills were taught to us in the event that we were unable to make it to high school. We would have learned a skill that could help to sustain us. A lot of these things, Madam President, are no longer present in our education curriculum, and I would love to see these things come back, and when I touch on agriculture I would also refer back to my school days when we had a reap-program, we had a robust reap-program going on in the schools, where we learned all of these things about what to plant and when to plant and what type of soil we should be planting on, and those things were very beneficial to us as young people growing up because we not only learned math and language and science, but we learned skills that could be used in our daily lives.

But I note, Madam President, that under the Youth Development Services of the Ministry of Education on page 103, I note that under training it has allotted

\$7,650. However, in that same section it has, for miscellaneous, some \$15,205, almost double of what is stated there for training. I also note, Madam President, that under the Youth Development Services the vision, I believe, is to advocate, empower, develop, and engage active participation of young people at all levels for the overall development of Belize. If we are going to empower and develop and engage active participation that we have allocated for training of \$7,650, I don't see how well we can meet that objective or that statement. Let me just get my notes clear here. When we spoke earlier about the, one second, Madam President, I won't take my 45 minutes. Don't worry, but if I do I will ask my colleague to read that, or I will ask someone to do that for me. We note that there is allocation under the, and I can't find this here, but anyways there is allocation where they are assisting scouts and guides and all of those areas, 4H as well. I note that while I commend those assistance given to these groups, Madam President, I think that we need to increase that assistance that we give to these groups. And let me also say here that I enjoyed my 4H and my guide days, and so I know, as a former guide leader, how important scouting and guiding are to our young people. And so I would like to encourage that we set aside more funds for these groups so that our young people can be more engaged and more involved, so that we can assist them in being part of productive activities or part of productive groups. And, as I have said, while I applaud the assistance given to them, I would like to suggest that we offer more to them. Youth cadet is on the list as well, and that, Madam President, is found on page 231 of the Official Charities Fund. We can increase that amount there.

Also, Madam President, I saw where we have training, and I know that in the Ministry of Education we have discontinued the practice of corporal punishment, which many people have applauded because a lot of parents say that they do not use corporal punishment on their children. But I believe that, as a teacher of 31 years, almost 32 years, we need to put more emphasis on either retraining or offering training to our teachers so that they can find alternative means of disciplining our students. We have seen where children as young as 5 years old go to school and hit our teachers. We have seen where they slap, they kick and they bite, and there is nothing much that we can do. Our hands are somewhat tied when it comes to the area of punishment. But if we are able to offer our teachers training in alternative forms of discipline then this may be able to assist us in carrying out our duties as teachers. Along that same line, I believe that we can also offer, probably under the Ministry of Human Development or through the Women's Department, we can offer training to our parents because they too need to understand what discipline entails so that they can discipline their children, so that when they come to school they are better disciplined, so that we can have more teaching time as opposed to more time disciplining our students.

Now I want to look, Madam President, under the Ministry of Agriculture. I am not an agriculture officer, and I did no studies in agriculture, but I did do agriculture when I was at school, and so I have just a little idea of what it entails. As I said in my last budget presentation, we believe that we need to diversify our agricultural sector, and I don't know or I have not seen anything that shows how we are doing that. But I am aware that some \$14 million was made available for a cassava project or for cassava down south, and I do not see where we are tapping into that. And so if we have \$14 million set aside from some organization that made that grant then we can look at developing the cassava area or we might even want to look at putting together a factory where the people down south can work on that. This information that I have here was given to me by public officers, and so I believe that they are more verse with what is available in the Ministries than I would be. And so I believe that we can, as my colleague spoke a lot on the agricultural sector, diversify. And we need to also spend some time helping our farmers. We can increase the assistance that we give to them. Maybe the

Government needs to acquire land and invest in factories. We assist our farmers. We invest in our students, Madam President. Maybe we should offer some sort of incentives for students who are willing to go into the agriculture sector, who are willing to study the area of agriculture, anything under the agriculture sector that they can do. We may also be able to reward schools who provide this sort of training for our students, these skills that they might need, so that they can assist us in that area.

I also want to look, Madam President, under good governance. It is said that if there is 0% corruption then we have 100% development. The opposite of that is that if we have 100% corruption then we have no development. We can also say that if we have 100% good budget then that would mean jobs and economic growth. Now my colleagues spoke earlier about the UNCAC, and, as you are aware, we fought vehemently for that, and so there is little or no funds set aside to address the governance issue such as the UNCAC, despite the fact that we were informed that the Honourable Elrington is our country's focal point, and he should be attending a meeting sometime in June. And so while for the first year we may not need as much funds there are things that we need to be doing as of now, and so I did not see anything allocated to that area to show that we are going to be working on anything for UNCAC for this year. Maybe I missed, it and somebody can clarify for me later if I did, but that is very important. We spoke about PACT. We also need to look at that.

We are also aware, Madam President, that the unions had submitted their cost-saving measures and the revenue enhancement documentation, and we are happy to say that these committees have been formed, and they have been having meetings. I believe they have had three meetings thus far. I would like to ask that we work a little harder on pushing this through because those documents provide a lot of areas that the Government can use to save as well as to enhance its revenue. And when we talk about that we look at the collection of finances or the collection of revenue, and we note, Madam President, that GST, income tax, and other areas have room for improvement as it relates to collection of revenue, and so I believe that if we are to implement those in the cost-saving measures and the revenue enhancement then we are going to be able to collect more revenue for our Government.

Now we spoke about bouncing back. And how does a country bounce back? I've listed a few of them, as we said, diversifying in agriculture. We also need to look at managing our procurement. Our procurement policies need to be better, Madam President. And I specifically looked at pharmaceuticals where we see that we have not been doing that the best way that we could, and so if we work on those, if we procure properly, then we are going to be saving revenue. I spoke about the proper collection of revenues and fines, and I noted here with the court system where there were some collections being done. But we are aware that there is a lot of revenue that has not been collected from our court system and from the other areas, the income tax and the GST. And I recall that when we had that consultation we, or I brought up the matter of collection of income tax and GST where persons sometimes would use their own discretion and would say, "You know what, this person owes so much, but we are only going to collect this amount from them." So sometimes it is the very employees who are cheating the Government of revenues. We really have to work on collecting all that we need to collect.

I believe if we are going to bounce back we also need to reduce the quota of CEOs. We might have too many of them. We need to look at that and see if we need all of the CEOs that we have. There has to be better enforcement on wastage.

Austerity measures, Madam President, must start from the top. We cannot be saying to our employees that we have to cut down when we, as the leaders, are not doing so. And every time we come here we speak of things such as the use of government vehicles, where we see them going everywhere on the weekends, dropping children off at school, and going to church. These are all the things that are not a part of their duties as Ministers. Yes, they should go to church. We want them to go to church. It is good for them to go to church, right, Pastor? But they have their own private vehicles to do that. They should not be using the government vehicles to do those things.

We also looked, Madam President, at not only the vehicles but in the offices as well, curtailing on electricity and curtailing on our telephone bills. Those are little things that we can do. We must lead by example, and if we want our employees to cut back and to save then we, the leaders must start. It must start with us.

In closing then, Madam President, I did not need my 45 minutes, and I do not need an extra 15 minutes. As I said, my colleagues have gone through a lot of what I was prepared to do. In closing then, I want to remind us that it is our duty and our obligation to ensure that the Government uses its resources responsibly. If we are saying that we must go out there and we must collect what is out there for the Government so that the Government could have more to spend, then we must use what we collect responsibly.

I think I left out one area here, Madam President, and, if I may, I noted earlier when I was going through on page 146, and we are in women's month. Under the Ministry of Human Development, Poverty Alleviation and Social Transformation, I noted under Capital II expenditure on page 146, it says national gender-based violence plan of action. In 2015/2016, it was \$295,000. In 2016/2017, it was zero. In 2016/2017, it was \$95,000. In 2017/2018, it is zero. Violence prevention, in 2017/2018, it is zero. And the objective says to strengthen the role of women through provision of support services in order for them to promote advocacy for gender equality and equity thereby increasing their participation, engagement, and leadership in the community, but I don't see any of those areas having anything. I must commend them, Madam President, because I note on page 147, where it says key programme strategies activities, 2016/2017, it says to promote behavioral change as it relates to gender-based violence through advocacy, public awareness, campaigns and training sessions. And the achievement says that a total of 11,775 persons benefitted from activities relating to awareness campaigns, training sessions, and advocacy sessions during the period April to December 2016. I must commend that. However, as I noted here, under plan of action, there is zero for budget, and, under violence prevention, there is zero as well. And especially when we are reading our budget here in women's month I would have expected that, despite that fact, this area would have some funds allocated.

I want to also commend them under page 143, where it says programme performance information, again, at the top, the National M & E system was launched. So I believe that was the Monitoring and Evaluation System they've launched. We have kept crying at often times that we do not monitor and evaluate, and so I must commend that achievement that they have made.

Finally, Madam President, as we noted earlier by the presentations from our different Senators, there are several areas in the budget that could do with some improvement. Some are incomplete, or they seem to be incomplete. We see the blank spaces. Some areas that we think are critical have no monies allocated to them. We also noted where some were allocated, but when we add up the totals

they were not adding up. And so I wish to say that we need to do a better job when it comes to putting the information in our budget presentation because at the end of the day we make our decision based on what we see here, and if it is not here then we might say that it is not being done when that might not be so or it may be so. And so we really need to be able to do a better job at presenting our budget and maybe giving more explanations so that the questions that we have would be lessen. And so I would prefer that we would fix what we have incomplete in this budget and then we bring those back to the Senate. Thank you, Madam President.

SENATOR M. PEYREFITTE: Much obliged, Madam President. Madam President, we've heard a lot of things today and most of it not having to do anything with the budget. The one that struck me the most was Senator Thompson who seemed to be preoccupied with slavery. He talked about house Negros and field Negros, but, Madam President, that's not how my mind works. I don't have a slave's mind. I have a freeman's mind. So I know about Freetown Sibun, Runaway Creek and Blackman Eddy. I don't know about bowing down to any master. Senator Courtenay earlier talked about the bondholders being our masters, and we had to do this for the bondholders, and the budget was written in New York, and we had to do what they said we had to do. We on this side of the Senate, Mr. President, are not of that mind. We don't bow down to anybody. We stand, and we deliver. On this side of the Senate for the UDP, we all contribute meaningfully to our party and to the Government and to the making of this budget that we ourselves came together and wrote. In the UDP, there are no benchwarmers.

Mr. President, there seems to be a preoccupation with the absence of the word UNCAC in the budget, but I think it requires a little explanation as I refer to my notes, real notes. The UNCAC Agreement was signed in December, and immediately we made arrangements to meet with the regional representative for UNDP who is based in Panama. As the Ministry and the Minister assigned responsibility as the focal point for UNCAC, I immediately set up a meeting with Regional Director Gerardo Noto, and, on February 1st of this year, he and I met in Belize to discuss the way forward for UNCAC. Indeed, the cost to implement the program will be tremendous, but Director Noto informed me that in the beginning a lot of funds will not be needed because we are still trying to establish a Terms of Reference, a criteria, by which we operate and a criteria by which UNDP will approve the implementation of the program. I informed Director Noto, since the Attorney General's Ministry will be responsible for UNCAC, that I would like to have a Crown Counsel within the Ministry specifically responsible for just UNCAC because I think it is an important enough piece of work that we need to have one attorney in the Ministry focus only on that. I used the opportunity, Mr. President, to tell him that if we need office space we would need help in the financing of that office space and we would need help to pay for a Crown Counsel to implement the UNCAC. I am happy to report that Mr. Noto indicated to me on that date that UNDP will commit to the paying of a crown counsel to help implement the UNDP Program UNCAC and as well to help us in whatever support we need to provide the services to carry out the mission.

So, Mr. President, the people who are concerned about the absence of UNCAC in the budget should be proud and should move a motion for an increase in the pay for the Attorney General, man. I am working hard. I have secured the cost of a Crown Counsel. I have secured the cost of basic services that that Crown Counsel will need, and, on Thursday of this week, March 30th, we have a committee meeting. And so the reason, Senators Salas, and I think Senator Lizarraga, Senator Smith, and Senator Courtenay mentioned it, there is no requirement for monies to be spent this year on UNCAC because whatever

expenses we need I have been able to convince UNDP to give us those expenses for this year. Subsequent to that, as the program gets humming, we will need more finances, and then you should see that in the upcoming budgets. And I hope there isn't a complaint that too much is being allocated for UNCAC because the Prime Minister has warned us, and Mr. Gerardo Noto has informed me at that meeting on February 1st, that the cost to the country will be substantial and that the process and the work will be tedious. I just wanted to clear that up, Mr. President, because there seems to be a concern, and a legitimate concern, of the Senators in here.

Mr. President, as we look at the Attorney General's Ministry in the budget, it is a reflection of the total budget and the approach that the Government has taken. There has been a cut in Capital II expenditure by a significant amount, but yet we have had to increase in the recurrent expenditure in order to accommodate a particular vision that I have for the Attorney General's Ministry. I want to ensure, and that's why you see at the line item where it talks about recurrent expenditure increasing, and I think Senator Salas referred to the increase for revision and drafting services. We are bringing two people in to help with the revision of all the laws of Belize. One person will deal with just that and another person to help with legislative drafting because we don't know how long we will have the services of Mr. Edwards who has been invaluable in the AG's Ministry. But he is not a Belizean. He is helping us through the Commonwealth program, and quite frankly we don't know and can't blame him if he doesn't decide to stay for a long period of time. So the accommodation had to have been made to have a person at some point come under training with him that in the event he leaves then we have a well-qualified and well-trained Belizean to take his place, and that is why you see the increase, Senator Salas, in the revision services.

As well you see an increase in there because it is my humble dream that one day a person can go to a computer, do a search and get the up-to-date laws of this country instantly. (Applause) It has been too long because the first step to knowing the law is having access to the law. It is my hope and expectation that within the year, if that long, that as soon as the Governor General signs or assents to a law that law is immediately implemented on the PDF program on a website that anybody can go the very next day and download and see the updated version of that law. The minute a Minister signs an S.I. or anything to that effect, it becomes immediately available online for anybody who wants to see it to see it immediately. Do you support me in that increase in salary, Senator Courtenay?

And so, Mr. President, the budgetary prioritization in the Attorney General's Ministry is to show you where we believe the energy and the resources need to go. The Capital II expenditure being low, I think we need a new building, I think we need a new National Assembly building, but for the moment, and we can dream on, but for the moment we have to prioritize based on what we have. What we have here, Mr. President, is a budget that tells the Belizean people that if we are asking them to pay more in taxes in certain areas then we ourselves have to be willing to make the sacrifices to cut our own budgets in Government. And so we are not going to cook the books. We are not going to come and lie. We are not going to say, "Don't believe them when they say the Government is broke." That is nonsense, absolute nonsense. We are strapped for cash, and we had to renegotiate the super bond in order to have the cash available to be used for the programs that we want to use them for, instead of tying them up in bad debt. And so with all of that, when I hear some of the Senators today, Mr. President, you know when I was in primary school we used to read this book called Chicken Little. Are you familiar with Chicken Little, Mr. President? The sky is falling in, and IMF is coming, and this one is coming, and this other one is coming. Well, bring them all and come, because this is a Government, Senator Courtenay, that does not bow. This is a Government that stands, and this is a Government that

delivers.

So when we were dealing with the super bond the bondholders could not dictate to us what our budget will be. We told them that our budget is our business. We told them that, if you want us to make good on this bad situation that you were a part of, as a lender, then you have to accommodate us as well to ensure that you get your monies that you are owed. So, Mr. President, it is unfortunate for me that it is this time of the day, and Senator Barnett has told me that she may need my 45 minutes and hers, that, indeed, a lot of the details have been covered. But I just wanted to say that, when we talk about transparency, when we talk about accountability, there is no government like this UDP Government. We have never attempted to hide anything. We have never attempted to make it seem as if though things were any different than they really are. When we have had to say, "Look, we have to take measures because tough times call for tough measures," we have never shied away from that. And let me repeat what Senator Duncan has said because I don't think enough credit is given to us, as country, for the successful renegotiation of the super bond that very much makes this budget a possibility and the future budgets good possibilities.

Mr. President, the bondholders always indicated to us that they fully expected Belize to want to attempt to restructure sometime around February 2019. We indicated to them clearly, Mr. President, that in 2019, it is not looking good based on the terms and conditions and the coupon rates and the bullet payments, one big bullet payment to be made in 2038 originally and then soft bullets after that or before that. We went to the table. We indicated to them our desire to restructure, and we made very clear to them that the interest rate that they are charging us for the lifetime of this bond that remains is an interest rate that cannot be sustained. That being the key contention that we had, Mr. President, we were told by several nations, including sometimes our own advisors, that it would be tough to renegotiate such a bond and even if we were to do that if we could do it without an IMF program. Let me be very clear. There is no standby arrangement with the IMF for Belize, absolutely none. Senator Courtenay said that the IMF is coming. Well, they come every year and do an assessment. And, indeed, the bondholders wanted a standby arrangement, but we told them no. We are not entering into any standby arrangement with IMF because we are not going to fire anybody in the public service, we are not going to punish the people who work hard for this country, and we are not going to take away their pensions. So, if you want to punish us, then you punish us, but we are not going turn our backs on the Belizean people just to please you. Does that sound to you, Mr. President, like we bowed? I can tell you that I am proud of the Prime Minister for standing tall, bad back be damned, he stood tall. And I agree with Senator Salazar that our captain is no pirate. So I want to make it very clear that even if Belize was to miss a coupon payment, which we don't plan to, there is still no standby arrangement. All that will happen is that the IMF would come, if we miss any of our targets, sorry, the IMF would come and give an assessment and an opinion as to how we can fix it, which is what they do every year anyway. We are not in some position where the days are dark and the sky is falling in. Don't believe the hype.

Of course, we don't have everything that we want. And, of course, the NGO Senator and the Senators whom are non-government, I mean to them everything is an easy fix, and you are supposed to have endless amount of money to do endless amount of things with, but it doesn't work that way. Government is about prioritizing. Government is about making decisions that may not be popular but are in the best interest of the people in the long run. So when I look at this budget, Mr. President, everybody talks about what's wrong with this number here and what's wrong with this figure here, but nobody has offered as much as a tangible and credible solution to that. Just tax this over here, and move this tax

from here and put it over there. Where is the solution in that? We have done the best that we could do, given the circumstances. And when you talk about the bond, well, when will you stop hearing about the super bond? Well, in this case, I will have to support my friend, the Minister for Housing. The PUP will hear about the super bond until they are dead because the super bond almost killed us, and we are still in a situation where every day we have to be grappling and making sure that we have the payments ready to satisfy the bondholders. We don't want to be bad-debt people or *mal pago*, but the bondholders as well have to understand that they understood and they will continue to understand that there is no bad borrower without a bad lender. And as long as we hold our ground and we stay strong we will maintain our international obligations as far as finances are concerned, and from there we will always have a budget where the Belizean people can know that, yes, there is some increase in taxes, but people still have their jobs. The teachers will still get their raise. They will still get their pay. Everything that is in there somebody has to pay for it because it doesn't come free. I believe that the people of Belize understand that, Mr. President. They have always understood that this Government was put in an impossible situation, and nevertheless we have been able to guide ourselves out of it under the stewardship of the Right Honourable Dean Borrow, and, with that, Mr. President, I will show some mercy to you and sit down.

MR. PRESIDENT: Senator Woods, please continue.

SENATOR V. WOODS: Continue?

MR. PRESIDENT: Sorry, please start. I wanted to tell Senator Peyrefitte something, you know.

SENATOR V. WOODS: Please don't rush me, I had to listen to everybody.

MR. PRESIDENT: No, no, just for information sake, today is the debate on the budget, and that's why I have allocated more time for Senator Lizarraga, Senator Salas, and whoever needs it. You know it will be granted for the budget debate today.

SENATOR V. WOODS: Thank you, Mr. President. I should put you on notice, however, that I may not be as generous as Senator Peyrefitte with time. But I will aim to be and only use no more than 45 minutes. I should also say, Mr. President, on a couple points of observation, particularly for those of us who are very new to the Senate, and among those I do not count Senator Salazar. He's been here as long as, and, in fact, more than ourselves on this side. But there is a Standing Order 33(6) that says, "Except with the leave of the President", in layman terms, with the permission of the President, a Senator can read. And so I want to, or I point that out, Mr. President, because you are right. This is the budget debate. It is 259 pages, and I would have hoped, after listening for the better part of what appears to be almost 6 or 7 hours, that the 12 of us assembled here took time, whether you were appointed by the Government, the Opposition, the business sector, the churches, the unions, or the NGOs, that you actually read the budget, that you actually took the time to compare what we said was going to be approved last year, did we do it, what did we accomplished, and then juxtapose it against what you have presented to us to debate. Yes, Senator Peyrefitte and Senator Coy, I am appointed by the Leader of the Opposition. Nobody needs to remind me of that. But I am a quintessential professional first, and I will put my country first before any party politics. The Leader of the Opposition is very much aware of that. So when I stand here and speak and say the nonsense that has been witnessed today must stop I stand by it. I stand by it, whether I am here today,

next month, two years from now, or whether my time in this Senate is short-lived. It is irrelevant for as long as any of us are going to stand here and say that we are putting country first. Then let's do it. We've had enough of the circus on Thursday and Friday.

So, Mr. President, I will be referring to my notes a lot, with your permission.

MR. PRESIDENT: Yes, you can refer to your notes, Senator Woods, because the Standing Order says here specifically, "with the except of leave", this is my discretion, "a Senator shall not read his speech but may read extracts".

SENATOR V. WOODS: Except with leave, Sir.

MR. PRESIDENT: And I am not giving leave.

SENATOR V. WOODS: I know.

MR. PRESIDENT: For that instance because we have spoken about it in the last Senate, and I had given notice from the last meeting before, but you can refer to your notes, Senator Woods.

SENATOR V. WOODS: Thank you. Each and every time there is an opportunity to educate the Belizeans on these Orders we should take it up, especially in this Chamber. So I will continue. I rise to share my perspective on the Government's proposed budget for 2017/2018, not for 2008/2009, been there, done that. The People's United Party lost three consecutive terms for all the reasons you all have cited, and 20 years from now, 10 years from now, 5 years from now, those three consecutive terms will go down in history as the three consecutive terms that the Opposition lost for all the reasons you've cited. Now if we are serious and we want to debate let's debate the budget, the budget which is supposed to be about what this fiscal year is going to collect in revenue and what the Government proposes to spend as it proclaims to be a pro-poor budget. It should have been a pro-poor plan that should have gone beyond the handsout dependency or welfare system that we seem to tolerate and accept because nobody wants to put in the extra effort it requires to change a fundamentally flawed system. When you have thousands of Belizean disenchanted with both UDP and PUP politics, it is time to man up or, as a colleague of mine said, woman up, when you have thousands of Belizeans who have expressed that they don't give a darned interest anymore about the politics of Belize because we are not serious, because we take it for a joke, because we come in here and stand on what we say is a point of order when it really isn't a point of order.

So when I received my copy of the big book, the big book of everything, and after carefully reviewing it, it turned out to be the big book of nothing. At best it did ensure, as it should have, because of the commitment made by the Government years ago that it promised to the public officers that their 3% would be secured, so at best it has done that. But that is just about it. And it is all that it can do because, as Senator Peyrefitte rightfully stated, the Government has no money, it is broke, and it is strapped for cash. But nine years ago it knew the situation, and it decided that they can solve it. Get rid of the party in government because we know better. We know how to grow the economy. That's what they said. Nine years later it turns out to be the exact opposite. Why? It is because there is absolutely nothing in the budget that gives any measure of confidence that the economy will grow, that the government will, indeed, meet those debt obligations, and that the government does know how to do it better.

Instead of helping the poor, it is taxing the poor. It is taxing the working class. It is creating shrinking pay checks in the private sector as well as the public sector because, yes, the 3% is there but then so are the increased taxes that not all of which needed to be there, if the government really was committed to doing better than the past. And, yes, it is also reducing a lot of the well-touted social programs such as school feeding and food pantry programs. And, yes, we are all acquainted with the Minister of Education trying his very best to suggest that it is not a reduction really, but it is actually if you look deep enough you can find it in the recurrent expenditure of his Ministry and perhaps others. Well, we looked, and we looked, and we kept on looking, and it is not there, but maybe it is one of those blank spaces.

The budget of 2017/2018 is the same as last year's, tax more, borrow more, spend more, which we have all experienced is going to result in a deficit, not a surplus. There are no structural adjustments to the economy to change this around. There was no urgency to consider that part of the equation. Mr. President, it really ought to have been an austerity budget. As Senator Peyrefitte mentioned, Belizeans would have understood because it is so strapped cash that we needed to take these measures for belt tightening, except there is none. It had to be an austerity budget, if it was to seriously result in that surplus. And if it were such an austerity budget expenses should be down not up. Now, Belizeans, we haven't hit rock bottom yet. If we were, perhaps the Senate deliberations today would have been taken a lot more serious than it has been taken.

In 2017/2018, the Government is planning to increase its expenses even more than last year but with no real investments in Capital II and Capital III expenditures, and that is where we needed investments to help to grow the economy. It is a zero-growth budget. So to say that the Government will reach its primary surplus of 3% is quite frankly a sick joke being played on all of us. This is especially evident when you carefully look at the so-called results of last year and the proposed outcomes, Mr. President, of this year's budget. It is particularly obvious when you consider the budget, as the Prime Minister said, does not have to factor in the bottom line, the huge payouts the Government has to make to Ashcroft. So we are just going to pretend that it doesn't exist, and when the time comes we will figure out something else. We don't have to show that.

This budget is spread across 259 pages, but it is more than numbers. It tells a story. The budget details the chronic leadership failure and a persistent incompetence in this Government's administration of the country's affairs. There are no signs of real change. And by real change, Mr. President, I am talking about the fundamental, structural changes that are required so that we don't have to come back here for supplementary after supplementary, so that we don't have to go borrowing again to the tune that we have been borrowing, so that we do not have to go and plea to the bondholders, yet again, to further, yes, kick the can again down the road. Change, if anybody is really serious and committed to it, is the task of giants, as the Prime Minister said. But I will depart there from his statements because certainly the change required is not for what, and I won't be quoting any literary artist today like so many others have, but I will quote James Bond. "It is not for minnows pretending to be whales". It is for people who are prepared to roll up their sleeves and have the intellectual capacity to do so and the endurance to pull it through to the end.

The story gets worse, Mr. President. When you consider the fact that the budget is riddled, and it is, it is not just the blank spaces, Senator Dr. Barnett, it is riddled with errors. It is a botched-up-cut-and-paste job. The only thing difficult to try and investigate here is that, is it the cut-and-paste job from last year's budget? Or how much of other previous years' budgets are included in the cut and

paste? The audacity to present such erroneous work to this Senate doesn't just insult us, as it should, as professionals, but it insults all Belizeans who depend on the accuracy of the Government's work now more than ever since we are coming to the Belizeans to say, "We are going to tax you." And why the rush? It is because the Government has to show the bondholders a budget that meets its criteria of the 3% surplus at the bottom line. And, even if the information presented is seriously flawed, by any means necessary we have to get it through so that that negotiated agreement is signed, sealed and delivered. There is no harm in just admitting it, man. Perhaps the speeches would have been a lot less, if we just came out and admitted it, even if it means harsh taxes on the backs of Belizeans.

A few examples and only a few because today I think, with the review and thorough analysis done by some Members of the Senate, we have seen quite a few of what the examples of errors are. Non-established workers which does impact the wage bill, so non-established workers, they're contract workers, short-term employment, they are not permanent. They are not intended to be permanent, but throughout the budget that is not what is being revealed. Now I can understand why the Government cannot show it as the emoluments category for permanents. So we have to put it under non-established, but could we not have worked a little bit harder so that the glaring mistakes and errors were not so present. Put a little bit of effort.

On page 53, under the private sector investment program, no achievements listed, no number of investments listed, and the staff component remains the same, which is a good thing, with two persons, but the wages, interestingly enough for this one, Mr. President, the wages went from \$54,000, and I am going to round off, to \$5,000, really? We are really going to accept a budget that shows two people, where there is no investment, no outcome, but they have agreed knowing that we are getting more taxes that they are going to take such a significant cut in their salaries. Perhaps if you were able to do it you should have done it beyond just those two and go after the 14,000 and see if they would have agreed to such.

On page 73, under strategic management and administration for the Ministry of Health, non-established staff is two last year, and it will be two again for this year. Excellent! No increase! That's what we want, but the wages for two persons listed are one million dollars, and that one isn't a blank space. That's one followed by six zeros. Explain how is it that any professional can stand by and accept that? I have to present budgets in my company every year, and when I can't justify an increase I cannot get it. And when I cannot produce the outcome I understand perfectly well that appraisal time will result in a negative for me. What assurances do the people of Belize have, who really are the investors in this budget because they are the ones that are going to pay the taxes? And what is going to be their return when they can't even rely on the figures in the big book of everything?

On page 117, the aquaculture program in the Ministry of Agriculture and Fisheries shows no change in non-established staff. That is another good thing. It goes from one in 2016/2017 to one in 2017/2018. Yet the wages goes from \$16,000, and, yes, I am rounding off, to \$83,000. How is that possible? We are supposed to be debating. One should be able to clarify these things, and the notes to the budget should have made it easier for us to understand, if we were expected to be bipartisan and support the budget. On page 123, for Fisheries, non-established staff, now this one is particularly interesting because we are well beyond the ones and twos now. This one goes from 43 non-established staff in 2016/2017 to zero, not a blank space. They actually have zero on this one. Yet the wages for those zero staff, and I am going to round off again, are \$980,000. Was

that an error in print? Are we going to blame that on our public officers because earlier Senator Peyrefitte quite rightly said, I hope, that all Government Ministers, including Ministers of State in charge of their Departments had a hand in the writing of the budget? The last time I checked in the school of professionalism, not politics, if you are going to sign up for the leadership position of a department or a company, the bucks stop with you. So who really read this budget? Certainly something was wrong, Mr. President, because you were even reading off of the wrong budget.

Immigration, on page 133, no change in unestablished staff, that is another good thing. Yet the increase in wages got almost by 100%. Then there is page 128, under the environmental management section, non-established staff goes from 2 to 3 persons for the next three years. Yet the wages is listed as zero dollars, no blank space again. It is zero for the next three years. So are we volunteering? Because if we are getting volunteers on page 128, well, I welcome that because the good Lord above knows that voluntarism is desperately needed in this country. So there are so many examples of the fundamental errors in each of these Ministries that either show an increase in non-established workers, which it shouldn't if the Government is supposedly tightening its belt, or on the flipside it shows a decrease in the numbers of non-established workers. Yet the wage bill goes up. Pick the choice of word you want to describe that one.

Achievements - let's turn our attention to achievements for 2016/2017, because any government that fulfills its mandate for its fiscal performance should be applauded, should be given the credit, and that's why you look at the achievements of the past year. If you do budgets like any rational and responsible business person, I know we are talking about government, but we are dealing with programme budgeting, and having done some work in the NGO world, I think, I know a thing or two about that, and you have to demonstrate what you said you were going to do with the money, how much of it you accomplish, do you still need to carry it through to the next year, how much of it, or have our priorities changed. That's what you ought to do. But you can make your case by listing, not in any fantastically great detail as Minister of Education would like you to believe that that's the reason perhaps why there are so many blank spaces because we don't go through the details, but when you are talking about taxing Belizeans a little bit more information would have been welcomed.

So the entire section on the Office of the Prime Minister and Cabinet has nothing in achievements or outcomes. On pages 49 to 54, there are zero achievements, or, as we have now learned, blank spaces. And I am assuming Senator Dr. Barnett will do us the honor of trying to clarify why it is that we are looking and being asked to look at a budget where we cannot decipher what was done from what wasn't done and what will be done next year with these monies. It is not even the three years. It's okay, just the next year, just this year that we are trying to get the taxes increased.

Ministry of Finance and Natural Resources, well, after over \$16 million in legal fees for 2014/2015, there are no listed achievements or outcomes, but there are more legal fees planned for 2017/2018, 2018/2019, 2019/2020, and separate and apart from the legal fees that have been outlined under the Attorney General's Ministry. Just list the outcomes.

In the Ministry of Health, on page 75, this one was interesting, talk about a batched-up-cut-and-paste job. One of the actions for 2016/2017, for the Ministry of Health was the development of a Drug Registry. The results note that it wasn't done but will be done in 2015/2016. Really? Is that the nonsense we've been asked to look at?

Ministry of Foreign Affairs, 2016/2017, the achievement states that probably, these aren't my words, I am writing them verbatim from the budget that the Government has asked that we debate, that probably by September 2016, time check or year check, no, because we are in March 2017, but probably by September 2016, a new embassy is opening in Venezuela. Well, it was either opened or it wasn't. Which is it? And then nothing listed as proposed results for 2017/2018.

The Ministry of Agriculture and Fisheries, on page 121, there is no investment in conservation compliance unit, in marine reserve ecosystems and conservation management. When you are talking about the Fisheries Department, you want to look at those three areas because that's where you can grow a fishery resource. That's where you can develop that industry, if you invest in these three things, but there was none. It is the same amount of money that was done last year that it's being put there this year. And if you speak to any of the technocrats in the Fisheries Department they will say that they don't have fuel to do that, or the boat broke down. As much as I feel for what the folks in the south are witnessing with the gill nets, we just don't have the monies to get out there often enough. So, yes, gill net fishing will continue unabated, and there will be no development of new fishery industry to generate revenue.

On page 123, the achievement listed is the adoption and implementation of the draft Fisheries Act and its enabling regulations. Really? Well, I am very glad to hear that Senator Peyrefitte in his capacity as the Attorney General is dreaming of that great big day where we are going to have access to the updated laws of Belize and the S.I.s as they immediately are passed. And why am I looking forward to that day, and I will be the first person there to shake his hand when he gets it done, is because if you look at the 2011 compendium of the Laws of Belize and all of the attending S.I.s after you won't find the current Fisheries Act. What you will find is a law that's called the Belize Fisheries Development Authority Act, a statutory board that does not exist, and has not existed. Yet the budget for the Ministry of Fisheries speaks to the alignment not of that statutory authority, but it speaks to the alignment of programme objectives that is envisioned under the work of the Fisheries Department as if it were following a Fisheries Act, a Government Department, not this so-called Development Authority that is listed in the Laws of Belize. So I am sure there will be some work ahead for the Attorney General and perhaps some lawyers trying to figure out, "But the Fisheries Department, were they legally correct in taking my undersized conch last year? Who gave them that authority and under which law?"

Now, Mr. President, I've waited almost 6 hours to speak. Am I frustrated, upset, and angry? Yes, I am. Am I disappointed? Absolutely because, yes, I am aware from where I have come and how I got here, appointed by the Leader of the Opposition. That doesn't mean I am going to accept crap just because I am in Opposition, and that doesn't mean I am going to accept being told day in and day out, "It is because of you all that we are here." Well, if that is so, it's because of you all this budget should have been better. Senator Coy, let me do you the favor and sit before.

SENATOR M. COY SR.: On a point of order.

MR. PRESIDENT: One second, what is your point of order, Senator Coy?

SENATOR M. COY SR.: On a point of order, Mr. President, what does that have to do with if you are going to respect or not? If she doesn't want to take

procedures, let me make my point of order.

SENATOR E. COURTENAY: Mr. President.

MR. PRESIDENT: Senator Courtenay, let me hear him. Then I will hear you. What is your point of order, Senator Coy?

SENATOR E. COURTENAY: But we have heard him all day. And he does not yet have a single point of order. He is just asking a question.

SENATOR M. COY SR.: Please let me make my point of order, Mr. President.

SENATOR E. COURTENAY: Mr. President, he must cite the Standing Order that he is referring to. Let him start by that.

MR. PRESIDENT: Senator Coy, what is your point of order, Sir?

SENATOR M. COY SR.: My point of order, Mr. President, is that she is talking about respecting what her leader has to tell her. If Senator Woods doesn't respect him, then that is her. This has nothing to do with the budget debate.

MR. PRESIDENT: Senator Coy, what is your point of order?

SENATOR M. COY SR.: The speech that she is saying that she is not following the instructions of her party leader, or whatever, that is her thing.

MR. PRESIDENT: Senator Coy, just please have a seat. Let us continue. It's been a long day. Senator Coy, please. Thank you. Please proceed, Senator Woods.

SENATOR V. WOODS: Thank you, Mr. President. As I was saying regarding my analysis of the budget, it is a botched-up-sloppily-put-together budget which all Ministers and Ministers of State endorsed. Mr. President, this really should not be accepted. It should not be tolerated. We know the Government will have its way. In fact, the bondholders allowed it up to September 30, 2017, to have its way. To get the budget right, at least present numbers that are adding up, and achievements that were actually achieved. Don't take us and the Belizeans people for fools. It has to stop. And it has to stop, quite frankly, on both sides. A closer look, there is enough blame to go around as to why we are in this mess and why we are spending more than we are collecting and why a budget that is to guide government's spending is so shamefully lacking in accuracy. There is enough blame to go around. Nobody has denied that. The Government has three terms because of it, and the Government had to bow down, Senator Peyrefitte, to the teachers and to thousands of people because they were fed up. To be quite frank, Belizeans are tired, but they are really sick and tired of the UDP/PUP blame game. Get over it. The Government has been in office for nine years, three consecutive terms, because it said it could get it done. Now is the time to stop the blaming and start the fixing. It is long overdue.

Instead of throwing away so many opportunities in the past nine years when the money was flowing, in the interest of self-aggrandizement and political party games, we should have made some significant strides in the serious structural reforms that were needed. Belizeans who work hard every single day, and I don't mean us in this Senate, I mean the taxi drivers, I mean the venders, I mean the storekeepers, the people that are earning minimum wage, not the million dollars for the two in the Ministry of Health, the hairdressers, the teachers, the

police officers, you name it, Belizeans should not be shackled by the irresponsible behaviors and decisions of any leader and of any government. There is a lot of lost of hope in the society, this lack of interest or enthusiasm of what a government can do. But, Mr. President, I put it to you that Belizeans, they want an economy that is humming and buzzing like a well oiled machine. They have earned that right, and they deserve it. So the budget should have told that story. It should have told a story of recovery, but instead it is telling a story of regression.

I invite the Members of this Senate, and at this hour, to take a closer look at this budget and to take that look with me but not through political lens because that will never get us anywhere. Let's take a look at the budget through the eyes of the responsible leaders that we were tasked to be. Let's take a look at the budget and do what we were called upon in this Senate, to rise above the cheap political rhetoric. The enormity of the task is not a UDP or a PUP thing. Quite frankly it's not any P. It's a Belize problem, and we all better shape up and stop the political nonsense. As one financial advisor recently summed up to me, for the past 22 years, the Government of Belize, the past 22 years, not 9, the past 22 years, the Government of Belize has spent more than it has earned. There is enough blame to go around. The past 9 years, Mr. President, have been particularly harsh where exports are down at an all time low, where there is no investor confidence, no growth in the domestic market, lesser consumer consumption evident by the excess liquidity in the banking system, and an alarming increasing crime rate in this country. There is no sense of hope for our young people.

This fiscal year 2017/2018 was to be the year, Mr. President, that we set Belize back on the right track, yes, due to the commitments the Government has made to the bondholders on the one hand, and hopefully that will ensure that the right oversight by the quarterly reports or the half yearly reports, I may have the timing off, and by the S.Is or the motions that were passed earlier to ensure that certain things will be done. But also on the other hand it is due to the next trench of the big bucks payment that the Prime Minister has promised to Ashcroft, but more importantly, in my humble view, Mr. President, this fiscal budget of all fiscal budgets between 2016 and 2020, this was to be the critical one, and why? It is because this fiscal year is the second year, Mr. President, of the Government's growth and sustainable development strategy, a strategy that was to guide the Government for the years of 2016 through 2019, a strategy, Mr. President, that was adopted in March of last year. This was the well-touted strategy by the Prime Minister in his budget speech. It is this strategy, the growth and sustainable development strategy, that the Government was to hitch its economic wagon to in order for it to meet its debt obligations and grow this economy. In fact, it was such a good strategy, and it is, I am sure Senator Dr. Barnett had a thing or two to do with it, because it clearly and succinctly outlined what the Government's Departments and Ministries were to do. In fact, all Ministries were tasked in developing their department's budgets to ensure it aligned with this strategy. This strategy was to be, "A beacon to illuminate the pathway to the kind of development we seek for Belize, the kind that brings prosperity to all".

Mr. President, if, indeed, the strategy was being applied and followed by all Ministries and departments, I put it to you that we would be in a much better position than we are. And why is that? Well, the four priority areas for success under that strategy for this budget and the budgets of 2016 through 2019 were:

One: Optimal national income and investment - The Prime Minister does have a love affair with the English language, and he excels at it no doubt, but words have meaning. What was meant by optimal national income and investment? This strategy is so good that it outlines it very clearly, for example,

penetrating export markets. Well, we are in the second year, and we haven't done that. Exports went down actually and significantly. Improving competitiveness, really? We haven't grown the domestic market, and taxes do not do that well. Income incentives regime for the private sector, we haven't even seen, at least they are blank spaces, and we have not seen any listed objectives or achievements under the private sector investment program. Encouraging and boosting innovation and technology in business, we are still waiting for that. But these are just a few. Mr. President, I cannot underscore to you that there is a black and white document with clear plans, very clear action plans, that all Ministries were to attach themselves too and ensure that whatever they are doing it is complying to that. This budget fails in doing that.

Optimal national income and investment requires the government to cut its expenses, but it is actually taking it up. And we have heard of some things that could have been done to get to that optimal national income and investment, things that could have helped to grow the economy. Well, first off, we certainly should have gone after with the same vigor and urgency as we did to renegotiate the bond. We should have done it to collect all outstanding taxes.

Xate production, why is it that it is such a viable industry in Guatemala but on the illegal cutting of our xate? Why are we not capitalizing on that? Added value processing in our agro-productive sectors, we've heard so much about that, and we need it now more than ever when our agricultural base is down and hit very hard. But then, again, with a budget where we spent more money on non-established staff as opposed to research and development in these areas, what do we expect? Development of the onions and the potatoes market, for example, and an enabling environment for it so that the permits given out can really be reduced, let's make a commitment. Let's not do business as usual. Let's plant what we eat and eat what we plant, and at least let's do more of it so that we do not depend on the imports. And, yes, with the recent news of the European's decision regarding beef sugar, we definitely are looking to see what the Government and ASR will do to ensure that we are not even worse off because of that.

The other success factor, that was just the first, Mr. President. I am telling you that the strategy, if applied and if seriously committed to, is a strategy that should survive governments because it is not an overnight job. It's really a national policy. It is one that would certainly be endorsed in a bipartisan, multipartisan passion, only if we were serious and not just being political. Enhancing social cohesion and resilience, what are some of the examples under that one? Well, here it goes, and they are very good: adequate access to health care, and who would not want that; adequate access to education; better social assistance; optimal social security; a strong national identity under future vision. But, again, those are just a few. Well, it is the second year of this strategy touted by this Government. So I should have seen proposed outcomes that align with this.

So let's look at human development, transformation, education, sports and culture, all under social cohesion and resilience. Well, those in the Ministry of Health, all their budgets have been cut. The Police Department's budget is also cut. Yet in that strategy we are aiming to have ten murders for every 100,000. We just had seven this past weekend. And, Mr. President, not because it is women's month because quite frankly it should be that every month and every day, and we are very grateful that there is a month dedicated to it, but the budget is woefully lacking on anything meaningful for women affairs, gender issues, violence prevention programs of which domestic violence is still a very serious issue.

The third success factor is sustained or improved health of natural, environmental, historical, and cultural assets. I am not suggesting this. This is a strategy developed under this Government that I say to you, Mr. President, should be a strategy that survives governments. However, isn't it interesting that the third critical success factor that speaks to an improved health of the natural, environmental, historical, and cultural assets in the entire budget speech not one mention of the words environment, historical, and cultural assets, in the entire budget speech?

MR. PRESIDENT: Senator Woods, I just need to ask you a quick question. About how much more time do you need?

SENATOR V. WOODS: How much time have I had?

MR. PRESIDENT: You've passed it already.

SENATOR V. WOODS: What, the 45 minutes?

MR. PRESIDENT: Yes. So, of course, I am suggesting that the Senator gives you a hand.

SENATOR E. COURTENAY: Mr. President, I move, pursuant to Standing Order 41(2), that Senator Woods be permitted to speak for another 30 minutes.

MR. PRESIDENT: Okay. I just want to clear up something Senator Courtenay. It says here that after she speaks for 45 minutes the motion may be carried without amendment or debate, extended once only the time limit by the Standing Orders, for such a period not to exceed the 30 minutes. Twenty minutes is good, Senator?

SENATOR V. WOODS: I certainly won't exceed the 30 minutes as for the Standing Order. Thank you.

MR. PRESIDENT: Okay, please continue.

SENATOR S. DUNCAN: At least to somebody to second it to meet the proper and above standards of the Standing Order.

MR. PRESIDENT: Can you do us the favor, Senator Duncan?

SENATOR S. DUNCAN: That's what I am doing. That's why I got up to second the motion.

MR. PRESIDENT: Well, I didn't see Senator Thompson here. That's why. Please continue, Senator Woods.

SENATOR V. WOODS: Certainly it doesn't require an Opposition Senator to second that motion. So thank you. So, as I was saying, in the entire budget speech not one mention of the critical word environment. There are no investments in the Ministry of Fisheries, Forestry or Environmental management, absolutely none, but we have secured the salaries. Operating costs leave much to be desired. And, if you are wondering, as Senator Duncan quite rightly pointed out, what is it that you want, do you want us to cut? Or do you want us to spend? Well, what we want is for you to get rid of the areas that are not working, and those monies can be allocated to the areas that could work, if we had put those investments in there. It is called prioritizing.

The fact is, Mr. President, and I agree with Senator Salas, that the country of Belize is a green-based economy. Agriculture, tourism and fisheries depend on the state of our environment. Its success is highly dependent on it. A healthy environment is the backbone to a healthy country, and, as per the growth and sustainable development strategy, clearly the leaders in government recognize this because they listed it as the third critical success factor. So I really am baffled as to why there is a question still out there to no to offshore drilling. I continue to be amazed why that stance has not been taken by a government who has listed the health of our environment as its third critical success factor.

And the fourth, enhanced governance and citizen security - These are some of the examples, Mr. President, that are listed under this one. Again, these are not my suggestions. These are the committed words on paper duly signed by the Government of Belize: better technical and political governance systems, better administration of justice, maintaining the integrity of our national borders and better policing. So the budget of 2017/2018, in fact of 2016/2017, from then and all future budgets right through to 2020, should ensure that it is aligned with this as well. Well, there is no Public Accounts Committee. That would have been an example of better technical and political governance. I hear Senator Peyrefitte, the Attorney General, talking about a meeting coming up of a working committee to look at the implementation of UNCAC, looking forward for Senator Courtenay to apprise me before the end of the day that he or the Leader of the Opposition has been duly invited to that. I can't quite see how you are going to discuss UNCAC implementation without the Opposition at the table. Integrity Commission and Elections and Boundaries Commission that are as autonomous as we seriously wanted to be, that would be another example of better technical and political governance system. I am very glad to see the thirteenth Senator installed because that is an example, one that we had to really fight for and one that the Government bowed down to by the BNTU and so many others. And, on the matter of the integrity of national borders, I won't say much on that other than what has already been so obviously displayed on national television and on so many other interviews, a Foreign Affairs Minister who time and time again insults Belize and Belizeans, most recently referring to us as squatters on our own land and saying that we do not have borders. Yet there was no denouncement of this statement by any member of Cabinet. Our budget of 2017/2018, was to also have that aligned with it as per the Government's document.

So this budget and the trend of this Government of gross over expenditure indicate that we will forever be dependent on loans which will now come at a higher cost due to reckless financial policies and a serial denial to significantly and structurally adjust our economy. Now let me be very clear, Mr. President, there are going to be loans by this Government and future governments of whichever color that takes, but what I am trying to point out is that so we are borrowing so we must also demonstrate that we are trying to constrain our expenses and put the expenditure in the right places. So where are we? The simple fact is that the Government is spending far more and has been spending far more than it is making, and it is not doing a single thing creatively to identify new industries or improve existing ones to generate the additional revenues needed. That is a fact. This Government which was ushered in an impressive three terms has significantly erred with the most basic mismanagement of the fundamentals of an economy. Runaway spending and deficits are not how a family runs its household budget. So why should it be tolerated by us with the people's money? Why should it be tolerated? Whether it is a blue or a red government, why should it be tolerated after 2005 strikes? Why should we come to this Senate and treat it like another day in the Senate after the Finance and Audit (Reform) Act? And why should we tolerate it after we have to listen every week, every Wednesday, on the

Lands and Immigration scandals? And why should we tolerate it after thousands march in 2016? Mr. President, we won't rise or fall on this journey to economic stability as UDP or PUP. We are going to rise or fall as Belizeans, *punto final*. When our credit rating is downgraded, it is not just UDP supporters or PUP supporters that are affected. It's all of us. And when we get an upsurge in that grade report it is not just the UDP supporters that benefit. It's all of us.

Many Belizeans are weary, and we are anxious, about our future, about devaluation, about a deeper recession, about what the taxes actually mean when they are implemented, and about the increasing cost of health care, many of which are just one illness away from being bankrupt. Many Belizeans are weary of the cost of education, of the lack of opportunity and hope for our young people. At the very least the Government could have demonstrated how it intends to grow the economy and reform the systemic problems of the government hiring political employees, not doing open and transparent bidding for the multimillion-dollar projects and how it intends to incentivize and stimulate an increasingly weakened private sector.

At the very least, if we must come here and spend 6 to 8 hours listening to a lot of political rhetoric, at least make sure that the document that we've been asked to review is accurate, at the very least. It is not a lot that we are asking for. And why do we ask for it? It is because in the past 9 years turning things around prove to have been difficult. So how the heck are we going to approve a budget that say we are going miraculously do it in one year? If not, at least show us how. Don't tell us it's blank spaces, and let us figure it out. Where is the real commitment to the serious efforts in reform in debt management, in tax reform, in education reform, in finding markets for the export of our goods, and for financial capital development? Or are we just always going to depend on selling shares of the utility companies to SSB? That is the only answer we will ever have when we are stuck. Where are the reforms in the fiscal incentive measures that work both for the foreign investor and in 2017 and onwards for the local investor? And where is the reform, Mr. President, given the fact that the Government and the country is strapped cash because of all the mistakes of this Government and previous governments, where is the reform in prioritizing what gets done? This isn't a UDP crisis nor is it a crisis for the next PUP Government. It is a Belize crisis. Sometimes I feel that, yes, perhaps, this is not the chamber for me because, if every time I have to come here, as a professional, and listen to the political rhetoric because we just can't build that bridge and cross it when it comes to this chamber, then aren't we all just wasting precious time?

The failure of the economy and of this budget to meet the required targets isn't selective to whom it will hurt based on whether you are blue or red. Each and every one of us, no matter the political party, Mr. President, does not matter your ethnicity, no matter your religious belief, no matter your sexual orientation or gender identity, each and every one of us will be affected, if this Government and us, as the citizens, do not seriously commit to demanding and ensuring that business will not be as usual. I know that is not just the Opposition's task to demand. That's for each and every one of us. When you go to the airport, are you going to take the bribe from the customs officer? Are you going to pay that extra so you don't get charged? Are you going to not report what you should be reporting to the tax man so that we can make a dent in that over \$55 million? So, no, this is not just a PUP issue to demand.

Mr. President, I do not support this budget, if that was not evident by now. And I unapologetically state that the Government continues to show that it does not possess the intellectual ability, the metal in its backbone, the competence or the leadership skills required to move the economy in the right direction. It cannot

be business as usual for the UDP. It cannot be business as usual for the PUP. It cannot be business as usual for the social partners, not if we are serious about what we are saying. So, Mr. President, I close by saying, no, I don't think that the budget should be approved today, when it's filled with fundamental errors that anyone of us who treasure our professional reputations, not one of us should agree to approve it today. The bondholders gave the Government until September 30, 2017, to present an approved budget. Can we not give the Belizean people just a little bit more time so that we get it right? And with that, I thank you.

SENATOR DR. C. BARNETT: It's been a long day, Mr. President, and we have a number of other Bills that we need to look at and a number of other things that we need to get through. So, I am going to limit myself in my presentation so that we can get on with the rest of the work. Mr. President, I don't think that any budget is ever perfect, and I've had the pleasure and the privilege of preparing a few, contributing to a few, advising on how to do a few, and I am old enough to have done all of those things. So no budget is ever perfect. That doesn't exist. I have had to, in my time as Financial Secretary, for example, go back at old budgets and reassemble what ought to have been in because although the numbers add up they didn't add up, meaning that the budget numbers did not gel with what we were getting out of the Central Bank and other places. So it is not the adding up of the numbers that makes the difference. It is really about understanding what it is that we are trying to achieve with this budget.

In the preparation of this budget, there was a fair amount of consultation, internal within government and external. Within government we met, and these are various teams and groups that contributed to this exercise, we met with each government department, explained what the objectives were, listened and then looked forward to receiving the submissions from the Government's Ministries and Departments. When the budget call was sent out, and it was sent out a little bit late last year, things got derailed around August. Normally the budget call goes out in September, but it didn't go out until October. They got derailed by Hurricane Earl. So there was a little bit of delay in starting the process, but the framework within which Ministries and Departments were asked to prepare the budget was really very simple and really very clear. We knew that we had to realize the beginnings of serious fiscal consolidation, and here serious doesn't mean size but serious means sustaining a reduced level of expenditure over long enough period of time that we can begin to see the debt to GDP ratio move in the direction that we wanted to move. So we asked all Ministries to effect an overall reduction in their submissions of 5%, not on their approved budget last year because unapproved budget is an indicative document. We are talking about a reduction of 5% in what they actually spent. And so they updated their estimates through to the end of the fiscal year, and then they were expected to reduce 5% against the amount that they expected to spend by the end of the current fiscal year. This is an exercise that they did along with the Ministry of Finance staff. If you look at the overall level of expenditure in the budget, you will see that what is being asked for, as an overall expenditure, is just on the 5% of the expected outturn for this fiscal year. So we asked them to do that, and by and large we had the Ministries and departments respond very positively to that. We also asked that they continue to realign their departmental policies and strategies with the growth and sustainable development strategy.

Thank you very much, Senator Woods, for giving me credit. I have no credit at all with the growth and sustainable development strategy. What I am familiar with and what I worked on very much was the Horizon 2030, which is the overall long-term development framework within which the GSDS sits. So it is nested in that. But the reality of it is that not all Ministries and departments are exactly in the same place in terms of their strategic planning processes. So some are more advanced than others, and it is an ongoing work. It is a work in progress

for them to align their ministerial strategic plans with the growth and sustainable development strategy. We had some successes and some failures in terms of that ability and the success in aligning those, and that is clear in the document that is before you. But remember, the implementation of programme budgeting which is the mechanism through which we identify priorities, design policy actions, provide the finances for those, assess on an ongoing basis through monitoring and then at the end of the day evaluating ourselves, that is a working progress. And part of the difficulty that we face is that the learning process that everybody in government is going through is transparent for everybody to see. So you see the mistakes and you see the successes. People are learning this, as we go along. We've never in the history of budgeting, except for these last few years, attempted to plan our expenditures in a programmatic way with an intention to assess ourselves because at the end of the day it is about assessing ourselves. So this is a working progress. Some Ministries are ahead of others. Those in the social sector tend to be ahead of others because they have been planning their work in that way for a long time even before programme budgeting came into effect.

But, as the budget was being prepared, we also asked them to do a few other things, and this is the Ministries and department, and a very important one was to assess how their budgets had evolved and to take out of Capital II all of those programs that may have originated with cooperation program with an IDB or a CDB and were just left there in Capital II when it became government's responsibility, but, in fact, they were now of a recurrent nature. This isn't something that is unusual. We've had to do it before. It causes complexities in terms of comparison from year to year because it seems that when you make those changes you are reducing your capital, but in effect you are just recognizing that government is now assuming the full responsibility on a recurrent basis for whatever program may have begun with cooperation loan or project of some kind. And there have been big ones that we've had to shift in the past. The one I like to refer to is the time we had to move the whole operations of the environment unit which started as a cooperation program and remained there for years, but it had now become a part of government's ongoing activities, and we had to shift it over. And so all of those emoluments, goods and services, all of the various headings that were in the Capital II budget, had to then be shifted over as the whole unit, and the staff began to be provided for on the recurrent side. So there is a fair amount of that as well in this budget, and it's part of cleaning up, and that is an ongoing, continuous thing that we really have to do every year to make sure that we are reflecting accurately how government's money is going to be allocated and expended. If it's no longer an investment but an ongoing activity, then it has to be reflected like that. So there was a fair amount of that kind of work that had to be done. There was a fair amount of assessing policy priorities against the GSDD and a fair amount of doing the arithmetic of the budget which required that everybody reduced their overall submissions by 5% against the expected outturn for this year as a submission to the Ministry of Finance.

If in all of that there are mistakes being made, there are. They are mistakes. As I said, there is never ever a perfect budget. It's always a working progress. At the end of the day the allocations are the allocations on the summary sheet, not more and not less. Those are the allocations. We can argue over the breakdown of those in the details of the budget that is set aside for the particular unit and programs, but at the end of the day what we are being asked to approve is the overall allocation for the Ministries. And I put it that way because within the Ministries there is scope for there to be reallocation within budget lines across anyway, subject to what is allowable under the Finance and Audit (Reform) Act. So the big number that is being approved is the summary sheet that you have at the front of the budget. The details that are inside are important for us to take a part, and I am sure that the various Ministries and departments they've listened to

all of the critique because certainly, in my conversation with them, they are by and large committed to implementing programme budgeting, but the reality is that programme budgeting is a particular specialization, and it is not mainstreamed across governments. So people are learning it, and they are doing it, and when you know you learn and you do everybody sees the mistakes that you make, and some of that is what we are experiencing here.

In terms of the consultation, aside from the consultations that we had internally, we also had consultations externally, first, with the private sector and then with the unions. And I hear you, Senator Smith, about preferring to have those consultations as one big consultation process rather than separately. We can have that conversation with the business sector, and if both sides agree that is something that we can do. But the practice has been to have separate conversations between the private sector and Government, and labor and Government, rather than to bring everybody together. The interest doesn't always coincide, and we'd like to try and make the sessions as integral as possible. But we can have a conversation with the business sector to see if that is an approach that would be acceptable. Those sessions were really very positive. We talked about a lot of the issues that were before us. We talked about how we got where we are, the options, the preferences in terms of policy action, and what needed to be addressed more urgently than others, and all of that factored in to what eventually became the budget proposal that was finally presented to Cabinet and then to the House of Representatives. In both of those consultation sessions that we had, we made a commitment that we would keep the doors open, that we would continue to talk and that we would not wait until next year when we are preparing the budget for us to have another set of consultations. And the thinking is that part of what we would do at midyear is to have consultations about how the budget implementation process is evolving. So that's on the table for us to do.

It is very difficult for me personally whenever I am taking about where we are to distance myself from where we came from. I am one of those people who believe that if we forget from where we came we are likely to do the same thing again. There is a famous saying that if you forget your history you are doomed to repeat it, and I don't want to be a part of repeating it. I spend a lot of my professional time looking at the evolution of our economy, the evolution of our fiscal policy, the various crisis that we've have had to pass through over the years. A group of public officers that I was talking to recently had a good laugh because I said to them that there was a time you know when we had negative reserves, and they couldn't figure out how you could have negative reserves, but if you look at the net foreign reserves of Belize you would know that in the earlier 80's we had negative reserves. That was when we had to go to the IMF and do a formal standby arrangement which would have been around 1984, shortly after independence. And every time we go through these crisis it's an opportunity for us to learn, I believe, how we got there so that we can make sure that we do what we need to do to not go back there again.

And if we look at Government's fiscal outturn, and just looking at the primary balance because that's the key indicator that has been identified in terms of the conversation with the bondholders, our primary balance at the beginning of 1984 and 1985 was -14.7%. That is a primary deficit of 15, sorry, that's 15, and this is in dollars, not in percent. So we are talking about \$15 million. And that's in 1984/1985, that's when we were just in the middle of the IMF standby arrangement that we went into at that time. And over that period of time up to 1988/1989, we saw that improved significantly to \$65 million. This is in the time of, and it must have been, Mr. Esquivel, right. And then over the next five years we saw us plunge into the negative again, and we ended up at \$43.5 million deficit, five years of, who would have been our Prime Minister then? Senator

Godwin, help me. I am getting old.

By the time that we got into the 90's and the Esquivel Government had to go through a process of fiscal consideration again, we saw the primary balance recover to a positive \$13 million or \$14 million, in fact. And then we got into the heady days of 1998 to 2008, and we saw our primary balance bottom out at \$110 million. That's a negative and that would have been in 2001/2002. And it took a while for us to come to terms with that, and I say the heady days of 1998 to 2008 because that is the time when we divorced ourselves from the international financial institutions. That is the time when we borrowed 35 times on the international capital market. We borrowed a total of US\$910 million in that ten year period. And I had a little chat with my senatorial colleague across the way over lunch today, and he was reminding me, and we were remembering that, when it came to the crunch and we had to go to the IMF, the IMF really didn't want to have a conversation with us because of all of the reports that had been done indicating that we were fighting with them. We could not agree on data, just basic data. We had taken to producing two budgets, the budget in our format and then the budget in the IMF format. Now there is no IMF format. There is a generally acceptable established way that your fiscal numbers are supposed to be put together, but we didn't do it like that. We did it in a way that we like to do it so that it looked better for us, and we would have that fight with the IMF. On every article for our conversation we would have that fight. And we would tell them off, and we don't need you because we go to the capital market. Well, there came a time when we could not go to the capital market anymore because nobody would believe our numbers. They couldn't. We do not have that fight anymore.

We agree with the IMF, the World Bank, the IDB, and the CDB. Everybody accepts our numbers because when they come and they look at it they add up, and I am not talking only about adding up to what's in the budget. I am talking about the way, as economist, the budget fits in with what happens in the financial sector, and what happens in trade. It all adds up because it is one system, and the accounting process it has to add up. When it doesn't add up, then they know that you are telling lies. And this day is the royal day in the international financial institutions. So there was a time when we couldn't even have a conversation because nobody believed us. We had absolutely no policy credibility. We had no relationship with them, except here and there for a small project loan.

And when we decided that we couldn't go anymore, and at this point I was in the middle of it, in terms of being the Financial Secretary, and we had to implement a program of fiscal consolidation. We knew that we did not have a lot of time to do it because we knew that we would have to restructure the debt. We are getting to the first super bond. And the reason why we knew we had to restructure the debt is because there was a put option coming down the road. Do you remember, right? There was a put option coming down the road, and I won't even say from who, and it wasn't a big money. It was like \$80 million or something like that. It wasn't the \$300 million or the \$400 million or \$500 million we are talking about. There was a put option coming down the road, and we did not have the foreign reserves to make that payment. Even if we could have collected all the taxes that we needed to buy the foreign currency we did not have the foreign reserves to pay it. This was around the time when our foreign reserves went down to about three weeks of imports. We knew that before October 2007, we had to have sorted all of that out. And so we set about to do it, and I had the privilege of traveling all over the region and different places in the north and in Europe talking to people who had bought our bonds, some of them in good faith, some of them who knew exactly what they were getting into. And it was a very painful thing because you were sitting in rooms where people would tell you, "But that's not what we were told last year when they came to sell us these bonds."

We were told that everything was bright and beautiful and wonderful and look how we are growing,” and that was really not the full story.

And I am repeating all of this because I wanted to be clear that those kinds of experiences, those kinds of fiscal outturns, those kinds of fights over data are not associated with the United Democratic Party Government at all. It’s never been. It’s always been the other way. And, if you look through history and if you look at when the crisis appeared, that is the story that is told. That is the story that is told. There is no getting away from it. And, as one of my senatorial colleagues said earlier today, unless we fest up and say that, in fact, that’s what happened, then me personally, I have no alternative but to say it can happen again.

What this Administration has done since 2008, what it has said it will never change from, is that it will not switch its sources of financing from the international financial institutions that provide funding at a cheaper rate with development objectives that underlie all of what they do with us. They will not switch from that and go back to the commercial markets. Some of the credit facilities that had to be unraveled in that very first restructuring were really, very dangerous. There is one in particular, the securitizations. We were talking about that earlier, that were done through the DFC and the SSB. Those securitizations were guaranteed by the properties that were mortgaged. So the mortgages that people took out, and people did not know that their properties, if Belize had defaulted on those things, those properties would have belonged to the people who had lent us the money. People didn’t know that. And that would have been such a catastrophic thing to have happened if we had reached that stage. So, if you look at what we did, we had carved out those securitizations out of the debt restructuring because, if we had tried to, it would have caused us to be in default on those instruments, and people would have found people coming up with their papers and say, “Now I own your house”. That’s what we were faced with.

So I want us to never forget those kinds of things because at the end of the day there are important lessons. Some of those lessons influenced what was put in the Finance and Audit (Reform) Act. So if you are borrowing of a certain kind, of a certain amount, you have to bring it to the National Assembly first. You can’t go and make those kinds of arrangements without the people knowing. So those kinds of things are really, very important because they were designed to prevent us from going into those kinds of undertakings because, first, it was relatively easy to give a guarantee. The Minister of Finance can give a guarantee, and later we find out about it, and that cannot happen anymore under the Finance and Audit (Reform) Act.

For me being where I am now in the Ministry of Finance and Natural Resources, overseeing it to some extent of what happens, it’s an entirely different kind of atmosphere and an entirely different kind of operation that we’re involved in because now everybody knows everything. There is no secret. Everybody knows everything. And I am talking about in government. In government, at that time people who wanted to know things didn’t know, and people didn’t know, you know. It was a crazy time, and we don’t ever want to go back there. But that’s not to say that it is perfect. It is far from perfect, but at least you know what you are dealing with. At least you know that the public officers remain committed to implementing the kind of expenditure consolidation that we are talking about. And I know people are thinking that the expenditure consolidation implies that we are going to be making unprecedented cuts in expenditure, unprecedented increases in, no, that is really not the case.

When we had our backs against the wall in the 2005/2006/2007 period, and we had to correct the fiscal situation we moved from an overall deficit of

\$180 million in 2004/2005 to \$80 million. You understand, from \$180 million to \$80 million in 2005/2006. We had a bumped up in 2006/2007, which really reflected the time of the restructuring which monies, because they went in and came right back out, inflated the expenditure numbers. But by the time we got to 2007/2008, we were down to an overall deficit of \$4 million. And I repeat the numbers because, as I say to the technicians that work on these things nowadays, we've done this before and we've done it to a greater extent. We've made much larger cuts in expenditure, raised much larger amounts of revenue and done it successfully at times when our foreign reserves in that period were down, as I say, to about three weeks of import cover. At that time, 2004/2005, we had to make such a large adjustment that our primary balance moved from a negative \$56.7 million in fiscal year 2004/2005 to positive \$73.3 million in 2005/2006.

And then you ask the question, well, why would a country want to do that? It is because that is a significant contraction in the economy, and there were those of us at the time who were saying, "But this is worse than if we went into an IMF program," and it was. The Government decided that it wouldn't go into an IMF program, and so we had to overcompensate in some ways, but at the end of day it was a really large contraction in government expenditure and large expansion in revenue. And the only way we could gain any policy credibility was to tell the international community that we were going to do it and then do it because, if we said we were going to do it and didn't do it, then we would not have had any support from anybody. Remember that when we did that we had support from IDB, we had support from CDB, we had the IMF doing a letter of support or whatever the terminology was at the time, and that was the only way that we were able to do our very first debt restructuring. We knew at the time, and we call it kicking the can down the road. Nobody set out to kick the can down the road. That was not the intention, but when you are coming from a situation in which it is so bad there is only so far that the creditors will allow you to go. And so we had to share the pain, and because of what we had been dealing with we bore the heavier part of the pain. That's the reality.

Now that's a lot of history. And I've sworn, and I am never ever going to forget it, and it is one of the few things that I remember with absolute accuracy, some of the numbers, because it really was a very painful process that everybody had to go through. And remember that this is at the same time that we are trying to build relationships and alliances with the labour sector, same time we are trying to build alliances with the business sector, so that we can bring some amount of stability into the system. We managed to do that. We got that first debt restructuring done and got a little reprieve. But the reality is that the amount of debt that we had to organize and bring together in that first super bond was significant, was really significant; US\$534 million, I think it was, at that time was really large for us and it still is. I hear my senatorial colleague saying that it is still large, and it is still very large, and it is only going to go down over time, as our GDP grows, our debt to GDP ratio will go down, as we manage our fiscal processes better, and that is a focus of what government is continuing to set out to do, and we will be able to reduce dependence on borrowing. But the absolute conviction that we need to stay away from the financial markets for the foreseeable future remains, and for me that's one of the single most important aspects of the current strategy that we want to be sure that we maintain.

Mr. President, it's no surprise that I support the budget; I was a part of its conceptualization though not intimately involved in the mechanics of putting it together. I was a part of approving what came to Cabinet, and I support the budget today. As I say, it is not perfect. A perfect budget doesn't exist. A budget is an indicative document. That's what it is. When it is attached to the appropriation Bill, it is a limit on what you can spend, subject to what's allowable under the Finance and Audit (Reform) Act. I fully support the budget, and we will continue

to work in the Ministry of Finance in particular to improve the budget process, not only in its formulation but in its execution and its reporting. Thank you very much, Mr. President.

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Mr. President and colleagues, it's been a long day. There are just a few things that I want to inform colleagues on and try to end this debate on the General Revenue Appropriation Bill on a more positive note. It is not all doom and gloom, none at all. This is my fifteenth budget, and I have seen budgets with all sorts of things. In fact, I accept the criticism of Senator Woods that, in fact, by now we should be pretty accurate in adding up our numbers, but my good friend, Senator Courtenay, can remember one time when I was seated where Senator Lizarraga is, and I found out the budget didn't even make an appropriation to pay our debt, and we had to make a supplementary adjustment. The budget is prepared by hundreds of public officers. It is not prepared only by the Ministers. I am one Minister who tries to sit in and deal with the policy aspect of it, but the functions of it are dealt with by finance officers, first class clerks, AOs and a whole bunch of people. And so somehow in Belize we are still a little way from getting that perfection thing done. I say that because I struggle for years in Belize, having went to school in Germany, with trying to get things perfect. If you tell me at 6 o'clock, it is at 6 o'clock. If my wife sends me a text and asks me to pick up two plantains, she always complains that I come back with two plantains. I tell her, "Well, you didn't say some. I don't know what is some, a lot, plenty and a little bit". I am pretty specific; it is in me.

But let's go to a lighter note. I will start with agriculture which is the Ministry I am basically responsible for. And I know my good friend colleague, Senator Salas, went a little bit in depth with that and to a less extent Senator Mark Lizarraga, my colleague who replaced me for the private sector. It is not all doom and gloomed in agriculture. I am happy to report that shrimp, after the early death syndrome, is bouncing back. And a lot of investment has been put in where people have reduced the size of their ponds and have tried to find out what caused it. A lot of investment went in. I am happy to report that this week, Alvin, who is one of the local shrimp farmers, a Belizean born-bred young man, he is not a foreigner, managed to get back 40,000 pounds into Mexico. So it is coming back, and I am happy about that.

Sugar, Mr. President, the crop is growing extremely well. For the first time we have, thank goodness to the dry weather, not so much mud. The outturn is extremely good. We are down to 8 in some days, and that is a magnificent position, 8 to 1. And Senator Thompson is absolutely not accurate to say that the Government brought in ASR because the Government did not bring in ASR. I will give a brief history. That company was owned by Belizeans, you know, fully, by a company called BSI Holdings which was the employees of BSI. And so it was fully Belizean, 100% Belizean, as it had Belizean farmers and Belizean owners in the factory. But it struggled like hell. They were paying 65/35. BSI at that time did not get any of the Fair Trade money. So that 65/35 did not split into Fair Trade. The cane farmers got all of that. But what happened is that BSI couldn't pay its debt, and it came down to the wire that ING Bank that was the main creditor decided that they would put the thing in receivership. They had until like October, and that would have been it. Then ASR or some company would have picked up for a sound. So they were desperately looking for an equity investor. And, yes, the cane farmers said they had some people. I remember clearly that Atlantic Bank was going to invest, or so it was said. They were not strategic investors in that sense. They were bankers. And I remember a meeting that was held at the Atlantic Bank headquarters by the roundabout when there was a bomb

scare. People were running out there like crazy. ASR had no interest first. There was a lot of convincing, and BSI did a lot of work to convince them, and they came in and they bought the shares basically of BSI Employee Holdings. And I remember the promoters of that company said, "Look, this is crazy that we are paying 65/35. All around the world we pay 50/50, 45/55", but they kept the 65/35. They kept that. And they agreed that they would put in some significant investment. They were a bit derailed when one day the Honourable Florencio Marin Jr. promptly announced that when they come to office in 2017 they would nationalize the company. That threw a terrible vibe into those investors, a terrible vibe. And I remember that they met with the Honourable Francis Fonseca to try to get a view from him on what they were thinking. They were panicking about that simple statement. But they've gone ahead and they've made additional investments, and it is coming back.

The fact of the matter is, and we have to be accurate, man, it's a business you know. It is a business. The Cane Farmers Association is a business; it is not a social service. They negotiate as a business with Fair Trade, and they earned a lot of money. And so the idea there is to try to get that industry to grow. There was a lot of AMS money, and I am very sad to hear that it wasn't taken up through the DFC, and some \$10 million is going back from the EU. That is a really bitter. It is a pity that I didn't had the Ministry before that when it happened because I would have tried my best. But their sugar is not looking too bad, and Santander is doing fairly well as well. And, yes, we have the Brexit issue, but I think you all heard on the news that, pretty good for us, our Ambassador in Brussels, Dylan Vernon, whom I guess all of us know, has been appointed as the Chair of the ACP Committee on sugar. So that gives us a head in the discussion as it is going. And my CEO is just back from London, having met with the Brexit group. I myself met with them here in Belize. I am one of those Ministers who don't travel much. I am too old to be getting on these planes back and forth, taking off my shoes and so on. So I believe that you send the institutional people so that there is institutional memory and a proper record of these trips. It is not for me to flap around on the planes. I just make sure they keep me well-briefed.

Citrus is not looking bad. If you go and you look at the new nurseries that CPBL has put up in Red Bank, they are fantastic, and they are doing an awesome job. They've put a lot of research into that to try to see how we can get on top of this greening. And, yes, again, the greening, the greening is something that I think we have to attack, and I have tried to do that in the short time that I've been the Minister of Agriculture because there was too much in-fighting in the industry. In fact, that fighting even resulted in a branch off, and a new association being formed. They went to court. The attorneys in here are well-familiar with those cases. In fact, the sugar people went to court first, and there was a ruling of the court under the Constitution that freedom of association exists. You can't force anybody to join an association. As a result of that, the citrus people did the same, and Citrus Mutual was formed. So you have two associations. It is very unfortunate, but it is working too. Government didn't bring in Banks. Again, Banks Holdings Limited is a company which was negotiated with the CPBL, and negotiated with them as a private sector deal. The only thing Government did with ASR, and it didn't do it with Banks, was to give them a concessionary which runs out this year, a limited concession.

When you look at fish and fish products, a new company called Rainforest has just inaugurated a state-of-the-art processing plant in Independence where they are now shipping finfish all over the world, and I understand that the demand in Asia for Belizean fish is high. And they are doing lobsters too, the whole lobsters with the head precooked. All sorts of things they are doing. And they are buying from local fishermen. I have a lot of pictures where the fishermen crowd

around me to show me and say, “Yes, boss, we are happy and good that we could sell them.” It is a Jamaican company, but it fits in under the CSME thing, and it is working.

Coconuts: 4,500 acres of coconuts, I was shocked because I thought that the only coconut water that is being sold is what I see at Mile 44 every day when I come to work. So I was pleased to see that there is a company just as you pass Kendal Bridge that is now exporting fresh coconuts in a little bag with a straw at the top that you stick through the coconut eye, and that is going chill, and it has a 30-day shelf life, and it is going into the U.S. market, and there is a tremendous demand for it. And, to tell you how the Ministry has helped those people, they’ve brought in some seedlings from Mexico. Baha has been on top of its game, and every bottleneck that they had experienced in the past we have relieved. Get the things going so that the small farmers can start to plant coconuts. I understand there is a company in Blue Creek, I will visit shortly, who is also doing the same.

Ice cream, which even though it is a kind of agricultural product because it is dairy, Western Dairies got their first container into Grenada, man, and their ice cream is on shelves in Grenada and selling like hot cake and knocking out some of the established names in ice-cream. And what happened? The promoters went over there, and received the containers, made sure it got on the shelf and made sure it got on a good spot on the shelf, and they are getting ready to send a second container, CSME.

Beans to Egypt, can you imagine we got three containers of black-eyed beans into Egypt? Of all the terrorist talks, etc., I didn’t imagine you could ever get beans into Egypt, and there is a heck of demand for more, and that is Belca. So those are good-news things, and they are pushing on and pushing on.

The corn, they’ve now done a *masa* corn which is competing like heck with the Mexicans and the Guatemalans, and the Americans are looking favorably at that. The packaging is just world-class.

Vegetables: my colleague mentioned vegetables, and I always have the scarce to show you know because I was there this week, yesterday to be absolutely exact, going to Nago Bank, etc., and looking at the small farmer with his vegetables and how he manages to do it with some lovely sweet peppers and some lovely tomatoes. I have the scarce to show because, of course, I tumbled down and cut down my hand. And the week before I was out in the River Valley, and a bamboo went through this part of the hand, and so I was bleeding the whole weekend, but that is what I do. I assured them that we will ensure as best as we can that we support their production. It is going out into the cayes. They are bringing it to the Farmers Market in Belize City on a Tuesday and on a Thursday, and it is working. You see, Mr. President, food security, that concept, and self – sufficiency, which we banded among for centuries, is to eat what you grow. No, no, it is not really eat what you grow, you know. It is being able to grow what we eat.

And in that regard I go to rice which is my favorite thing. I spent some time, a week before last, in the south a couple days with the small rice farmers, going from farm to farm to try to see what has been happening in that industry. I can assure this Senate that we are going to resuscitate Poppy Show. I don’t know where it got that name from, but that is the farmer rice research. It has died. It had good equipment and good irrigated land, and it just died. We are going to bring it back. I invited CARDI to join us, and they are going to put together a program to bring it back. And why is that important? It is because if you are following commodity trends you are seeing now that everybody wants to go to these

proprietary seeds in corn, in beans, and in rice. So you buy seeds from the U.S. You have to buy certain chemicals from them. You get a fancy yield, and you are happy with yourself. The trouble is that you don't own it. They own it, and so you can't export that because you are hit with a lawsuit. And, if you look up Fairview rice, you will see how many suits have come already from Guatemala and many other countries. We don't ever want that. We want to have our own seeds here. It doesn't matter what it costs so that we have that food security. There was a seed called CARDI seed that I had done the wetland trials and CARDI had done the upland trials. We are going to try to revive those so Belize can be assured that the farmers here have their own corn to grow and it is not GMO, and their own beans to grow and their own rice to grow.

Chickens: Quality Poultry has been has been HACCP approved. That is a tremendous step. And for those of you who come to Belmopan rarely or often, when you get to the roundabout, you will see a beautiful depot that they just opened. It was inaugurated this week. So chicken is really moving. And I've visited the egg production, and I was shocked to see how automated the eggs are. They are picked up by machines, they are packed by machines, they are dated and they are stamped, and we are shipping a good amount of eggs already.

Cattle, we all know the cattle story, and I am not going to rehash the sad days of being unable to continue to export to Martinique and rice to Jamaica. I am going to go to the happy positive days where we started that Jalacte trade, illegal though it was called. It wasn't illegal for us to sell, you know. It may have been illegal for the Guatemalans to import, but that was the way we sold our cattle. I don't know which one of you all have gone down to the Jalacte road recently, but it is a super-duper highway. And I am saying, and I will say here, not for the records but even though it will be recorded, and it is for Senator Courtenay, the AG and Senator Salazar to deal with this, but my layman's thing told me that if that Article 7 of the Guatemala issue was the problem because we didn't do some cart road etc. it has been solved. It is not only a cart road. It is a highway from the border there to the port. But anyway, cattle, we were able to make the first shipment official into Guatemala. And on that note I must say, Senator Salas, that when you saw the agriculture budget with research with R and D and you saw it a little reduced, it is not that we are changing the policy. It is because the cattle sweep which was part of the \$1.6 million is completed, and as a consequence that is no longer in the budget. Every cow in this country is ear-tagged, checked for brucellosis and tuberculosis, so that we are certified, and we can export with confidence, and that is a good thing. That is how we were able to make the first shipment into Guatemala officially, even though it was going through Jalacte unofficially. And we are working hard to get the Mexicans back on board.

The bottom line, of course, and you are absolutely right, it is not only primary products that we have to do. We are working hard to try to get some value added. Value added beef, the people in Spanish Lookout have a pretty good facility now similar to the chicken to be able to get that value added. And, again, the chickens, we are looking to get shipments into Trinidad as well. I was very pleased that my son showed me on this Facetime thing and Whatsapp that you can do now that he bought Marie Sharp in Berlin off a super market shelf. That is a good thing. Pioneered Marie Sharp into Tokyo, into Berlin, those are huge markets, and that experience that Marie Sharp obtained or learned or gained, having done that, others can replicate for sure. Corn to Guatemala, there is a lovely facility at Camalote, just outside of Camalote, for those of you who care to visit, there is a \$35 million investment simply to put corn into Guatemala for Frito Lay Chips. It is a world-class corn, and that possibility will only balloon because across the nation every single small farmer can grow corn, and that is the aim of this Ministry.

Bananas: we all know the story of John Zabaneh. It is 15% of the bananas that came out, but it is coming back. Yes, we are having some issues with Fyffes. They are still meeting with the Banana Growers Association to try to make a contract. The Ministry has gotten involved. I personally sat with them for a couple hours to try to ensure that that comes out in our favor, given Brexit and given the fact that Fyffes has been bought by Sumitomo which is a bit of a problem. Sumitomo has basically not even looked at Belize bananas because it is still under the guides of Fyffes. So we are working feverishly with those people to ensure that we maintain that. There are some issues with the port, but nothing that cannot be solved.

Potatoes and onions: there was a lot of hue and cry about potatoes recently. The sad truth about potatoes, again, is that it is a private sector thing. That is not a government thing. Government doesn't grow potatoes and doesn't buy potatoes, but we got involved, as a facilitator, because unfortunately the small potato farmer puts his heart and soul out there, Mr. President, and he grew his potatoes. The problem is that all grew at the same time, and you have nine months supply coming in at one time, and there is no storage, and there is no facility to maintain the potatoes. So, of course, the gouging starts because traders gouge. They will pay you a little bit of nothing, and then they will tell you your potato is rotting and all of that. So the Ministry is looking at how we can facilitate with some sort of storage to prevent this from occurring next year and better yet to try to have the farmers stage the production so that the production is coming in at a staged form, and everything is not coming in one day. So that is the issue with potatoes, a similar issue with onions. And it can be done.

In that regard, there is a big problem which is called contraband and contraband really hurts. It hurts the vegetable farmer. It hurts the potato farmer. It hurts all the farmers. That steps into the issue that, again, Senator Salas raised of corruption. The people just want to beat the system and want to get something for nothing, and they don't have that national spirit to say, "Man, it is us, and if you kill us then we are dependent on somebody." So that is a huge problem that we have to tackle to try to get on top of that and to ensure that local production is not undermined by dumping from Mexico and other places because that is what it is.

The Ministry has been organized around four major departments, big departments, BAHA which is animal and plant health, and we make no compromise about BAHA. BAHA is going to sock it to you. If you ever think you can get away with something and introduce some disease into Belize, that is not going to happen as far as we are concerned. And recently, and my colleague will appreciate this, recently there was some shipment of ham in the Free Zone, and there was a back and forth and all sorts of calling all kinds of people. We took the ham, dug a big hole and bury it, and burn it. Those were called greens. And so those people learned a serious lesson. It doesn't matter who you call because that won't help you. I said that over again, don't call me because it was illegal, it was improper, it came in from Ecuador, and it had a UDS stamp which the UDS knew nothing about. So we just confiscate it.

The other area that we have to help with is marketing, and we are going to restructure the BMDC to do just that. It was set up like that. In fact, the legislation was passed when the Honourable Dan Silva was the Minister of Agriculture, and it has never functioned as a marketing arm. It was supposed to do some sort of price stabilization and all sorts. It can't do that. We need a team that can find markets for things, help the small farmers and help the people to do it. And I will just take a minute to explain to you how that happens. You can't have 50 people growing 50 different varieties at the same time and say, "Well, we have a

surplus,” because the world out there doesn’t care whether it grew in Crique Sarco, or it grew in River Valley, or it grew up in the north. They don’t care, and they don’t know. They want a product from Belize. So if you ship potato it has to be the same variety, graded the same way and the shipment goes, whether that little farmer is selling from the south, the middle, the north or so, and that is what BMDC will be doing trying to organize that together with extension officers so it is a coordinated effort. And you can’t left that to the small farmer to do it. You can’t even leave it to the big farmer because I am here to tell you, when I had like six million pounds of paddies some years ago, they told me, simple, “No ship will come for that. You have to have 18 million.” Lord have mercy! What do you do with that? It is a good segway into the Partial Scope Agreement that we had negotiated some years ago with Guatemala, Salvador and Costa Rica because you can go by road, you can take it there, and that makes a tremendous difference. To get into Jamaica you need more containers and to get into Europe you need a full ship. So the marketing department will be upgraded to do that and the extension similarly because we need to give the farmers good advice.

But principal in all of this is data and statistics, and this takes us back to Senator Woods’ point. The Ministry has no data and statistics. I was kind of a little surprised, and I said, how much for this, what is the unit cost, and what is this. We are just now trying to build that data feverishly because if you don’t know where you are going then you are in the dark and you are spitting in the wind. So we are working on that feverishly. On that note, I want to say also that in the budget you see some things that, yes, there are some things that don’t look fully accurate. I, of course, stepped out to ask my people how the hell we have an unestablished staff for aquaculture and then we only have one or two people, or whatever it was, and I was told that, well, we did take over the Taiwanese hatchery that was just done three weeks ago, and the staff are going to be brought on board, and I was told that the data was sent to the Ministry of Finance. So the figure at the top of paying this people is correct, but whomever compiled the bottom never changed it from the old one or two that was there. That is an error for which we make no apology. It is wrong, and we need to correct that kind of thing because clearly you cannot come and have those mismatch of numbers. Having pointed it out, I will try to ensure that next time you see this it is accurate, even if I have to look at it myself. But I won’t. I will make sure my people do it right.

That takes me to the quick corruption accusation, and Senator Salas said we have to nip it in the bud. The bud was way back in the 1980s and early 1990s when the bud was planted. It is a big tree now that it’s hard to bend, and that tree is both private sector and public sector because it takes two to tango, and it takes two to dance. And the same way the private sector person wants to facilitate the thing and is prepared to pay the officer, whether it is legal or not, maybe he just wants to expedite even though it is legal, the same way he wants to pay when it is illegal. And so the public officers, and many of them, sit back and say, “Well, if you don’t pay me, nothing happens.” That is really a sin that we will have to find some very serious concerted way to get on top of.

I also wanted to look at some things that Senator Thompson had raised in terms of investment. As you know, we have an Investment Committee of the Cabinet that has been working fairly well. All three Ministers of us sit on it, and BELTRAIDE is doing a pretty good job of that. We have a five-point criteria; any investment is looked at with a fine-tooth comb for five criteria. Socially and economically acceptable and legally doable, that’s the first. Secondly, it must bring revenue to government, no question about that. Everybody wants to invest in Belize. They want to rape us because most people don’t want to pay anything. They want concessions. They don’t help us, man. Three, they must bring foreign exchange. If they don’t bring foreign exchange, you are playing. The Belize dollar

is a monopoly money. It can't go nowhere, except in the country. You have to bring US or Euro. Four, it has to create some meaningful jobs. And, five, of course, it must protect the environment and/or enhance it and the cultural integrity of the country. And the projects are looked critically at that level. This brings me to the Stake Bank thing. Yes, the Government, we did look at Stake Bank like that, and Mr. Feinstein, I had many meetings with him, but he was involved in some issues with the Tourist Village in which he was a partner or something, and he went to court, and there was a kind of court ruling, and he came back to us and he said, "Boss, guess what happened? The only way I can operate is to have exclusivity, apart from the Tourist Village", and that is not possible. We were advised by legal people that that is not possible. You can coexist, but you can't have exclusive, and I think that is why he is floundering. The ball is basically in his court.

And then, of course, we looked at Senator Smith who talked about the reap program. It was a beautiful program. My old colleague of mine by the name of David Eck ran that program. But the schools are doing well with it. I was shocked and happy to see that in Pueblo Viejo near to Jalacte the students have an awesome green house. And then I was welcomed into Columbia Village where they are doing all sort of things. They are out there with hoe. They have the green house, and they have irrigation. So the program is running in many schools. Corazon Creek has one. UB in the south has one, and that is a way to try to bring that back to the system. So the reduction in funds, you see, Senator Salas, is that one thing this Ministry will not do is ever get back into that program of providing tractors, providing seeds, and providing fertilizers. That got so politically messy, and there were words associated with that that I will never use, even to my private self, and who was getting the tractor and who was getting everything. We are not there at all. So there is no need to budget for that ever. Agriculture, I love it because it is exclusively private sector; it is private sector to private sector. I've been in it for forty odd years. But what Government will do is to facilitate, and that is why you will see the extension officers will have a vehicle so that they can get out there and they can give the advice, but we will give no seed and we will give no fertilizer because that is going to go down the wrong path.

And the research people who are going to Central Farm will continue. We have cattle. We are looking seriously at what we will do with the dairy, if we are going to enhance it or to get rid of it. We have black beans, red beans and rice trials all growing. We have grass. We have sheep with the aid of the Taiwanese, and we just took over the tilapia thing. Central Farm will be positioned into a showpiece farm so that farmers can come, have workshops, see what has to be done, and the extension officers will fan out. What is this saying? This is saying what all of you have said. Agriculture is one of the major pillars. I never believed in tourism you know, even although I saw it working. I wouldn't know how to accommodate a tourist because my father used to say to me when I was small, "Boy, stick with energy for the body and for industry because people have to eat." In the worst times, recession, depression, or whatever, you have to eat. So food will sell. The problem is that food is a big commodity, and the big traders gouge and rape and control and trick. There was one particular rice farmer in the south that I met. He told me that he had 96,000 pounds of paddy. I was blown away at how he did that at the improved milpa level. He irrigated and everything, and he had his bunds and everything. His wife and his two brothers and their wives helped him, and then he took it and sold it to some people in Spanish Lookout at a mill, whose name I won't call, that might have given it away already, and they paid him for half, and they told him that the other half was spoiled. Now that is not going to happen under my watch because I know the other half could not spoil. That is the kind of thing because it was 40 cents a pound, and so they wind up with 20, and they had to pay transportation to and all of that kind of thing.

Marketing Board will have to help with that.

I get down now to just quickly a few other things, and I will sit down. We've been asked to look at an Act to appropriate certain sums, and this whole budget debate always goes and gives everybody an opportunity to express on both sides, either if they support or they don't support, and how they feel and what the government should do and shouldn't do. But the bottom line is that even when I sat there for 10 years I never voted against. Why? It is because even though there might be mistakes etc. you don't want to stop government. This recurrent expenditure in this budget is 80% of it; these are people being paid. What will you do? Will you stop pay them? Nobody spoke of retrenchment. Nobody wants to fire anybody. They want to be paid, and it is 80% of the budget. It is 81% of the budget to be exact. The remaining part of this budget is Capital II. And if you look good under Capital II that is support. You have things like desks, tables, computers and some other things. I haven't heard anybody say that under Capital II none of the items they didn't agree with. What they were saying is that there should be other items. But other items require more money too. It costs more money, and Capital III is the same. So Capital II is 5.24. Capital III is 6.41 of the budget, and, of course, debt repayment is 6.99. Nobody is arguing that we have to pay our loans. However we get them we still have to pay them. We are still one country. We are one people, and we are one everything. And, even the super bond that has had such a lot of debate and its history and whatever, the country is still responsible, and the people are still responsible however we do it.

So I am asking Senators, and the Senator from the union, the teacher, my good friend, Miss Elena, taught 31/32 years. She is a great friend of my wife. Lord man, the very teachers who were walking out on the streets got their raise. Somebody mentioned, and I think it was Senator Woods, that the only one good thing is that that portion was kept. So the biggest part of this budget is to do personal emoluments and pensions. That is the biggest part. You are already at 60%, and guess what will happen? Nobody will slight the old people for having worked so hard and now they are getting their little pension. The rests are goods and services. Yes, we can turn off light here and there, but goods and services you have to pay. And then, of course, you have the debt service interest. You will have to pay your interest. And then you have the subsidies. Subsidies are basically, if you look in the budget you will see what they give to schools under the church-state program. So, if you are going to oppose the budget or not support it, you are saying, "Man, let us stop that." Yes, I understand that there are some numbers here and there, but it is the heads that you are approving, and then these monies are allocated, and what it says is that it gives the Ministry the authority to use up to so much. And if they use beyond that they have to come back, but then that is done through finance officers, through Smart Stream Systems and through the Financial Secretary, and there are a lot of controls. It is not like a free for all.

In fact, I can tell you, having been in government, that I've learned some serious lessons because I had thought that when this was budgeted that this was going to be given to us to spend. It doesn't work like that at all. Sometimes you have to go to the Financial Secretary and you have to beg and plea, and they only give you a quarter of what they got because they can only release money as they are getting in money. Many times you will see budgets not completely spent by the time this financial year comes around for two reasons. One, you couldn't get the thing done; or two, you couldn't get the money. So that is what we are asking. We are asking Senators here today, given all that that has been said and done, this is not Government revenue. This is Government spending, where the laws says, the Finance and Audit (Reform) Act and the Constitution, that before the Government spends any money from the Consolidated Fund it needs to get the permission of the National Assembly, and that's what we are doing. And so I ask

for the Senators’ support. Thank you, Mr. President.

MR. PRESIDENT: Honourable Members, the question is that the Bill for an Act to appropriate certain sums of money for the use of the Public Service of Belize for the financial year ending March 31, 2018, be read a second time.

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

SENATOR E. COURTENAY: Mr. President, I call pursuant to Standing Order 47(1), for a division. And, I just want to say something about what Senator Hulse spoke about, putting people’s salary in peril. Section 106 in the Constitution provides 4 months for which expenditure can continue. I ask for a division.

MR. PRESIDENT: Clerk, can you please do the division?

CLERK: A division has been called for the General Revenue Appropriation (2017/2018) 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.

2. Central Bank of Belize (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 Central Bank of Belize Act, Chapter 262 of the Laws of Belize, Revised Edition 2011, to raise the limit of the amount of Treasury Notes or securities that may be held by the Bank at any one time; and to provide for matters connected therewith or incidental thereto.

SENATOR M. LIZARRAGA: Thank you, Mr. President. Mr. President, this Act is precursory to Government’s paving its way for the continued borrowing of sums domestically. It is my understanding that after this piece of legislation is passed, if it is passed, the Government will have the capacity then to raise \$1.35 billion in domestic debt. As we know, Mr. President, and, as is highlighted in the budget speech, domestic debt has been, in fact, the preferred method for this Government to borrow money. We can see that, in fact, in

2014/2015, our domestic debt was at \$416 million. In 2015/2016, it went to \$528.5 million. That was what was actually in 2015/2016. What is projected for 2016/2017 is \$752.8 million, and what is projected for 2017/2018 is \$984 million. We don't have a forecast for next year, but if this piece of legislation is passed it will give Government the ability to borrow up to \$1.3 billion.

Mr. President, I raise this matter because we know that the Government has said that it's curtailing on its expenditure, but if we look in the very same budget speech we will see that, in fact, the Government's projection for current expenditure continues to rise, even though it says that it is going to arrest it, or even slow it down, or even cut it. Current expenditure for 2014/2015, it was \$830 million. For 2015/2016, it was \$904 million. For 2016/2017, while budgeted at \$959 million, it will come in at around \$995 million, and this coming year we will see \$1.03 or \$1 billion and 30 million in current expenditure. Forecasted again, for 2018/2019, is \$1.043 billion, and forecasted, for 2019/2020, is \$1.064 billion. So I am very baffled as to how it is that statements can be made or have been made that we are cutting our own budgets in Government, or that tough times call for tough measures by those on the Government side.

One final point, Mr. President, is, again, adding to the confusion of numbers, and it was for that reason that I was not prepared to support the budget, until these numbers could have been corrected. In page 24 of the budget speech, it claims that total debt, as a percentage of GDP at the end of 2017/2018, will be 90%, and it is projected to be 87% at the end of 2016/2017. However, on page 5 of the very same speech, it says, "External public debt amounted to 70% of GDP", and then it goes on to say, "Domestic debt totaled 22% of GDP". Mr. President, again, 70% and 22% is 92%, and we see this on page 24 being projected at 87%, and these are the constant barrage of inconsistencies that we have seen throughout this debt. So, when you tell me now that you are proposing to borrow X, I don't even know if I can believe or credit. You are extending the ability to borrow. But anyhow, Mr. President, again, it is just more of the same. Thank you.

SENATOR DR. C. BARNETT: Mr. President, I suspect it falls to me to correct what's being said. This is not an arrangement to borrow. The arrangement to borrow, in terms of Treasury Bills and Treasury Notes, is set out in the Act, and we did, in this Chamber, approved the raising of the ceilings on the total outstanding Treasury Notes previously. What this is setting out to do or facilitating is allowing the Central Bank to be the buyer of last resort of Treasury Bills and Treasury Notes up to the amount that is already approved with some, I suspect, there may be some cushion, but this is not giving Government any authority to issue additional Treasury Notes or Treasury Bills. That is done under those Acts. This is so that, if a bank or an insurance company, or whoever has purchased Treasury Notes or Treasury Bills and they need their liquidity, there is a purchaser of last resort. So that is what I understand this to be. Right now the Central Bank would not have the ability to purchase the amount outstanding that would facilitate that role.

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

MR. PRESIDENT: Honourable Members, the question is that the Bill for an Act to amend the Central Bank of Belize Act, Chapter 262 of the Laws of Belize, Revised Edition 2011, to raise the limit of the amount of Treasury Notes or securities that may be held by the Bank at any one time; and to provide for

matters connected therewith or incidental thereto, be read a second time.

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

Bill read a second time.

3. Customs and Excise Duties (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 Customs and Excise Duties Act, Chapter 48 of the Laws of Belize, Revised Edition 2011, to vary the rates of excise duty on certain items; to increase the scope of items subject to excise duty; and to provide for matters connected therewith or incidental thereto.

SENATOR M. LIZARRAGA: Mr. President, I know it's late but I just caution that these, series of tax revenue regenerating Bills that we are about to see will have a serious cascading effect. In effect, we are going to see that the GST and the business tax will be impacted by these to the end consumer because it all has an inflationary effect. The cost of living will go up in Belize. So I caution that prices will be going up in Belize very shortly as a result of all these measures, and the people and the consumers will be feeling it shortly.

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

MR. PRESIDENT: Honourable Members, the question is that Bill for an Act to amend the Customs and Excise Duties Act, Chapter 48 of the Laws of Belize, Revised Edition 2011, to vary the rates of excise duty on certain items; to increase the scope of items subject to excise duty; and to provide for matters connected therewith or incidental thereto, be read a second time.

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

Bill read a second time.

4. Stamp Duties (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 Stamp Duties Act, Chapter 64 of the Laws of Belize, Revised Edition 2011, to vary the rate of stamp duty applied to foreign exchange permits; and to provide for matters connected therewith or incidental thereto.

MR. PRESIDENT: Honourable Members, the question is that the Bill for an Act to amend the Stamp Duties Act, Chapter 64 of the Laws of Belize, Revised Edition 2011, to vary the rate of stamp duty applied to foreign exchange permits; and to provide for matters connected therewith or incidental thereto, be read a second time.

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

Bill read a second time.

5. General Sales Tax (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 General Sales Tax Act, Chapter 63 of the Laws of Belize, Revised Edition 2011, to vary the rate of the General Sales Tax charged on the supply of electricity to consumers; and to provide for matters connected therewith or incidental thereto.

Senator Roche, I think you had asked the question, and it was really that it used to be \$200, and now it is the sales tax, but now sales tax will kick in after \$100. So your bill will go up. If you go up to \$200, it will go up \$12.50. So it is that sliding between \$1 up to \$2. The idea behind it was, of course, to relief poor people from paying the sales tax, but a study done, I understand, showed that most poor people don't use over \$100 in electricity anyway.

SENATOR V. WOODS: Mr. President, I certainly would appreciate, as I am sure all the other Senators, a copy of such study that did demonstrate the results of what you are purporting, Leader of Government Business. It is a hike. It is a significant hike for a chunk of Belizean people, and it certainly goes against a pro-poor focus. So if there is a study this Senate certainly would appreciate a copy of the study. Thanks.

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

MR. PRESIDENT: Honourable Members, the question is that the Bill for an Act to amend the General Sales Tax Act, Chapter 63 of the Laws of Belize, Revised Edition 2011, to vary the rate of the General Sales Tax charged on the supply of electricity to consumers; and to provide for matters connected therewith or incidental thereto, be read a second time.

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

Bill read a second time.

6. Environmental Tax (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 Environmental Tax Act, Chapter 64:01 of the Laws of Belize, Revised Edition 2011, to vary the rate of environmental tax charged, levied and collected on goods imported into Belize; and to provide for matters connected therewith or incidental thereto.

SENATOR M. LIZARRAGA: Mr. President, we caution that we know this environmental tax to be distortionary and contrary to the World Trade Organization rules. That is our understanding. And we caution as well that this

single item here is intended to raise some \$15 million, according to the calculations that we've been provided. It is, perhaps, the second largest just behind the excise levied. And, again, Mr. President, we know that there will be a cascading effect on the cost of all goods, and this, in fact, will not turn out to be a 50% increase in the tax, but by the time it is cascaded and compounded and it reaches the consumer it is going to be substantially more. Again, we will have an inflationary effect that will affect the cost of doing business in this country. So, Mr. President, that is what we have in front of us.

SENATOR O. SALAS: Yes, Mr. President, I have a couple comments on this. What may be an inconsistency, I just want to point it out that the increase in the environmental tax is being done as a revenue measure. The implication is for the funds to be paid into general revenue, but I refer you to section 7 of the Environmental Tax Act Revised Edition 2011, unless that has been amended, and I am not aware of that. This talks about the proceeds of the tax being paid into a special fund so as to develop a national solid waste management plan, etc, etc. So it seems to be restricted to that, unless there is an amendment that I am not aware of.

SENATOR REV. A. ROCKE: Mr. President, I would just like to have an optical illustration as to how this tax will be different from the present tax system. Some kind of example, maybe the Leader of Government can assist me with that.

SENATOR V. WOODS: I was just waiting to see if the Leader of Government Business was going to address that. No? Okay. Well, I also raise because I do think that the Senate needs to know if there was an amendment to the Environmental Tax Act. It does clearly state under section 7 that the proceeds of the tax, not may but shall, it shall be placed into a special fund, and it shall be used for, and it is quite clear, "to develop a national solid waste management program; to defray the cost of the disposal of refuse generated by the use of goods referred to in section 3 of the Act; to assist in the collection and disposal of garbage throughout Belize; to clean up rivers and canals and other internal waterways; for the preservation and enhancement of the environment; and for strengthening the institutional capacity of the Department of the Environment." Was there a change to this Act that suggests that the monies collected from the environmental tax can go into the Consolidated General Revenue Fund?

SENATOR S. DUNCAN: I am just asking for clarification because the Bill before us is changing the ad valorem. I am reading the section on clause 2. It is only one page which says, "The principal Act is amended by deleting (C) OF Section 3 (1) and substitute therefore the following."

SENATOR V. WOODS: Mr. President, is that a confirmation then that the proceeds from this tax will not go into the Consolidated General Revenue Fund? Is that a confirmation that we are getting because on page 14 of the Prime Minister's budget speech it is very clear that he is bumping the charge of the environmental tax by the 1%, in order to increase revenues for the Consolidated General Revenue Fund? So, is it that it is going in there or not? And if it is all we are asking, was there an amendment to the Act that says that can be done? That's all we are seeking clarification on.

SENATOR S. DUNCAN: I don't think we are in a position to say it's not. I think what I am saying is that this is changing the rate, and, if the Prime Minister, knowing the Prime Minister that he will not do anything illegal, if he wants it to go into the Consolidated General Revenue Fund, it means he will take another step. That step is not before us today. I don't know, but I am saying that right now it is 3%, and for all intents and purposes we moved it from 2% to 3%. It

will have to follow the process that the law stipulates today, until the Prime Minister is able to make the amendment he needs to get it into the Consolidated Revenue Fund, if that is what he chooses to do.

SENATOR A. SALAZAR: Mr. President, that's precisely my point. The Act before us is that they are raising it to 3%. That's it. The other issues are side issues. Wherever it is going now, that is where it will continue to go; Unless something else is done, then it will go somewhere else or into the Consolidated General Revenue Fund. So I don't think that those are matters which are incumbent upon a debate on this Act because this Act is simply moving the rate up by 1%. So it is not touching anything else. That's the only thing that is being done. So, I really don't understand the issue that we are having. I apologize that I don't.

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

MR. PRESIDENT: Honourable Members, the question is that the Bill for an Act to amend the Environmental Tax Act, Chapter 64:01 of the Laws of Belize, Revised Edition 2011, to vary the rate of environmental tax charged, levied and collected on goods imported into Belize; and to provide for matters connected therewith or incidental thereto, be read a second time.

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

Bill read a second time.

7. Protected Areas Conservation Trust (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 Protected Areas Conservation Trust Act, Chapter 218 of the Laws of Belize, Revised Edition 2011, to introduce a development fee, which, subject to specified exceptions, is to be, collected from every non-Belizean departing from any air border, administered with support from the Protected Areas Conservation Trust, and payable into the Consolidated Revenue Fund; and to provide for matters connected therewith or incidental thereto.

SENATOR O. SALAS: Mr. President, if I may, I want to make some brief comments on this. I must say that I take this one quite personally. I was involved way in the mid nineties, and a number of other people from the NGO community and the Government, to set up what was a model-financing mechanism for national parks and protected areas. I will never forget when I attended a World Parks Congress in Durban, South Africa, about 12 to 13 years ago, when that was hailed. The Protected Areas Conservation Trust was hailed as a model, as a good example, for what other parts of the world needed to do. So now I see this proposal to introduce "a development fee using the Protected Areas Conservation Trust Act." I see that as a tinkering of what has been a good legislation, and that will not have any direct bearing on the financing needs for our protected areas system. The financing gap is huge, and I thought that we should put all efforts into reducing the financing gap for our national parks and protected areas that form the basis of our tourism product. That is making a mockery, the way I look at it, of the Protected Areas Conservation Trust and the

Act.

SENATOR V. WOODS: Mr. President, I happen to have been involved with the Protected Areas Conservation Trust for 5 to 6 years. It was a time that I very much enjoyed because prior to that I was at the tourism board. But it is really, as I said, when I left the Protected Areas Conservation Trust that it really was the time spent there that I truly appreciated what our tourism product was about, and why it was so important for the conservation of the natural and marine resources. I was also, Mr. President, very fortunate to have led a delegation to one of the World Parks Congress because Belize was cited as the model. For those who may not recall or for those who may not even be aware of why this is such a slap in the face, quite frankly, to the conservation groups out there in Belize, we have to appreciate that it took years, and governments because it wasn't a PUP thing or a UDP thing, it was successive and different governments, that made the PACT model what it was, and in one soup we are going to undo all of that effort.

And why are we going to undo it? If we look at the very same budget that we just went through and we recognize that there is over \$55 million out there in taxes that stands uncollected, and if we collect it, it would more than make up for what this \$32.50 would bring in. So, if you do the math and you assume through the airport we are getting bonified 350,000 arrivals, it amounts to a little bit of over \$11 million. You still have some additional funds from the outstanding taxes that are left out there to collect. But, no, we chose the easiest route to tack on in a very shameful manner a development fee, running it through an environmental mechanism, one of the bright spots of this nation, instead of taking the time to do our math and say, "You know what the willingness to pay surveys that were done so many times in the past who which all resulted in visitors saying that if this conservation fee would go to further conservation work they are willing to pay an increase." Some of the surveys were even clear on the amount. None of it was to help the Government's general budgetary support. It was for conservation. This was so much of an outcry, and I am very grateful that the NGO conservation community stepped up, went to the House Committee and said, "No, you can't do this, not after we fought so hard to have a dedicated conservation fund."

So what did the Government do? "We won't have it on the agenda today, gentlemen. No, what we are going to do is that we are going to come back the following week because we are so smart, we are going to introduce a new fee, and it is going to be called the development fee, and we are going to channel it through a conservation mechanism. We are going to do this while the PACT currently is undergoing a strategic exercise to revisit its mission, its vision and how it can optimize the work it is doing." Understand that a lot of the fundraising and the development of the endowment fund for that conservation mechanism is done with the PACT in mind because it is a dedicated fund for conservation. Understand that visitors worldwide respect a destination that says, "While I know I come to you in numbers and I leave a footprint in your environment, I will pay that conservation fee to mitigate the impacts or that I will be making on that environment." So we are being very disingenuous to the trust placed in us by the world community on this mechanism.

Now we know the ayes will have it. We know that. But out of your good conscience we cannot let this just go by without the record demonstrating it. It is not just us but so many who worked hard for this mechanism both when it is a UDP Government and a PUP Government, both of us worked hard for this thing to be protected. We saw the unraveling last year, and it begun to herald the destruction of one of the brightest spots of this country. So, yes, I am disappointed because, if a little bit more time and creativity was considered and perhaps a lot more effort to go after taxes that we know are out there, we could have brought in

the \$11 million or \$12 million that this is bringing in. And, since we are bold enough to increase the fee suddenly by calling it a different name, then it would have been a welcome change to increase that conservation fee, not by \$32.50 which will now go directly to the Accountant General for the Consolidated General Revenue Fund, which should not and was never intended by the PACT Act, but the fact that the Government is finally prepared to even consider to have raised it. It certainly would have been a welcomed initiative that a couple extra dollars went to conservation fee.

SENATOR M. PEYREFITTE: So let me understand correctly, Mr. President, that there will be no objection to this tax, if PACT was getting the money, because I did not hear Senator Salas object to the fee going from \$7.50 to \$40. I didn't hear Senator Woods object on the basis that it should not be increased at all, but it would be okay if it went to conservation work or if it went to PACT. I am utterly confused as to why you all are saying that this will affect the structure and work and makeup of PACT. It doesn't. PACT will still get its \$7.50. It is obvious, Mr. President, that PACT wanted the \$32.50, because there isn't any issue with the \$40. But, Mr. President, increases on tax on visitors, you know how hard we are on ourselves. When the US Government raises the cost of an application fee for a US visa from free to US\$300, you know that we don't complain. We just pay it. When we now want to tax a tourist who comes and wants to leave by air now, oh, the poor tourist who comes and wants to leave by air will have to pay a tax. Come on, man! Senator Courtenay joked to me earlier about traveling a lot, and I do. When I look at my hotel bills sometimes, especially when you are in Florida, there is a resort fee, there is a hotel fee, there are all kinds of fees that we just gladly pay, and we don't complain.

So what is wrong with a type of fee like this? All we are saying is, indeed, when people come they leave a footprint. And why should PACT get the entire increase in the fee? You will keep your \$7.50, and the Government and the people of Belize will get \$32.50, which adds up to \$40. It doesn't affect PACT at all, unless I am missing something. We are not saying that the structure of PACT will change. We are not saying that PACT will no longer receive what they are receiving. They will continue to receive what they are receiving. Nobody is touching PACT. So what is all the excitement about at this late hour? The Government is making no qualms about the fact that we have to raise revenue, and so therefore we are going to tax the tourists who leave by air or anybody who is not a Belizean to leave by air. Even the foreigners will have to contribute to their presence to Belize when they come to Belize. So why is this a big deal for the PACT Senators? Why?

SENATOR REV. A. ROCKE: This was one of the questions I had asked in my presentation concerning our missionary friends that come from abroad to come to work in Belize and travel all over the country, although they come to do humanitarian services and spiritual services, that this money will still be levied on them. And this is why I had asked that question. Are we saying that we are going to issue an ease for the missionaries as opposed to the tourists?

SENATOR V. WOODS: Mr. President, if I could just clarify, Senator Peyrefitte said PACT Senators with an "s", and there is no such thing. But just to clarify this is not an increase in the departure tax as has been reiterated. Please let me finish.

SENATOR M. PEYREFITTE: No, you had your turn to speak, man.

MR. PRESIDENT: She is just clarifying. You will have your chance after.

SENATOR M. PEYREFITTE: The rules are clear, Mr. President.

SENATOR V. WOODS: No, I can clarify.

SENATOR E. COURTENAY: She is clarifying what you said about her.

SENATOR M. PEYREFITTE: What did I say?

SENATOR E. COURTENAY: That she is a PACT Senator.

SENATOR M. PEYREFITTE: Okay, you have addressed that, and then you get to sit down.

SENATOR E. COURTENAY: No, man, it's not you. See the President there.

SENATOR M. PEYREFITTE: A clarification, Mr. President, she can't have two debates at the same time.

MR. PRESIDENT: I can't even get a chance to talk because the two of you are talking back and forth. I know by the Standing Orders that she can clarify certain things that you have said. And she has clarified that, and so we move on.

SENATOR V. WOODS: Yes.

MR. PRESIDENT: Okay.

SENATOR V. WOODS: Thank you, Mr. President.

MR. PRESIDENT: It has been a long day.

SENATOR A. SALAZAR: I would like to clarify that because when somebody is speaking, when the Attorney General is speaking, and he says something that warrants a clarification, that is the point at which clarification should be made, not after he has sat down and another Senator has now given his intervention and debate, and then you stand up.

SENATOR E. COURTENAY: Which Standing Order says that?

SENATOR A. SALAZAR: It's right in the Standing Orders.

SENATOR E. COURTENAY: Which one?

SENATOR A. SALAZAR: You should know the Standing Orders better than I. You well know what it says.

MR. PRESIDENT: The Standing Order says to make a point of order at the time.

SENATOR A. SALAZAR: No, you rise on a point of clarification, and, if he chooses, then he cedes to her. If he doesn't cede, if he doesn't wish, he doesn't have to. I read the Standing Order. It is right in there, and maybe you should read it too.

MR. PRESIDENT: My dearest Senators, I understand we have certain things to get done, but can we move on? Senator Hulse, please, can you ask that

the question be put? And let us move on.

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

MR. PRESIDENT: Honourable Members, the question is that the Bill for an Act to amend the Protected Areas Conservation Trust Act, Chapter 218 of the Laws of Belize, Revised Edition 2011, to introduce a development fee, which, subject to specified exceptions, is to be, collected from every non-Belizean departing from any air border, administered with support from the Protected Areas Conservation Trust, and payable into the Consolidated Revenue Fund; 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 O. SALAS: Mr. President, if I may, I am not sure if I am doing this right, but I would like to call for a division.

MR. PRESIDENT: My dearest Senators, and that’s also for this side. If there is a division that is requested to the President, it is before I put the question that you need to do it in order to address the matter. Okay. So, we will do it for this last time. If the division is not asked before I put the question and the ayes have it, then we will not go through the division again. Clerk, can you please do the division?

CLERK: A division has been called on the Protected Areas Conservation Trust (Amendment) Bill, 2017.

The Senator 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	-	No			
Senator Elena Smith	-	No			
Senator Osmany Salas	-	No			

MR. PRESIDENT: The voting went with six (6) Senators voting “Yes” and seven (7) Senators voting “No”. I think the noes have it.

Therefore, the Bill was not approved.

8. Statutory Bodies (Development Contribution) 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 make provision, in furtherance of national development, for specified statutory bodies to be required to transfer to the Consolidated Revenue Fund, on a periodic basis, a fixed percentage of their revenue; and for purposes connected therewith or incidental thereto.

SENATOR M. LIZARRAGA: Mr. President, with you permission, I will refer to some notes and the budget book, my budget book. Mr. President, I was wondering why we haven't seen a Bill or an Act that is called the Companies Investment Act as well accompanying this. I will tell you why. We seek to raise revenues in an across-the-board-arbitrary manner from these agencies, statutory bodies, and I am not saying we shouldn't get some income from them. But when I looked in the budget last year and this year I see no income from BEL, for last year, I see no income from APBEL, and I see no income from BWS. I also see no, and these are statutory bodies too, my friend. I see no income from BIL, and this says Statutory Bodies (Development Contribution) Act, Attorney General. So I am wondering, and it is put down under dividends, as it rightly should, because we own all of these bodies. We have an interest in them. We funded them. We started them. We subsidized them. They are owned supposedly by the Government and people of this country. And they are recorded under dividends, as you would expect them to be, on page 21 of the budget book. So we see now this arbitrary across the board 10%.

First of all, we question where the number 10% comes from because we are asking these bodies to give 10% of their gross income when the Government itself, promising to cut its expenses by 5%, did not, or a meager 5% in this case, because if they struggled to do 5% of expenses now you are asking these people to do 10% of their income across the board. We wonder where this number came from. Technically you see, Mr. President, one would think that these bodies, these entities, are not for profit. So you question whether they have the 10% that we are seeking to arrest from them. And we question and we say, "If these places are so profitable, then, why have their fees not been lowered?"

We suggest, Mr. President, that, perhaps, a better exercise would have been for us to do what the business community has been calling for a long time, which is to audit these entities. Let us see their books. Let us see which ones can and cannot return dividends to the people and Government of Belize because some of them may very well be able to contribute more than 10%, and the very big ones like BTB, for example, we've not been able to see their accounts ever. I think I've been suggesting that we need to see their income statements, balance sheets, and financials for years, and we haven't been able to see it. The Belize Tourism Board, I am talking about entities that the Government and people of Belize have a vested interest in, have invested monies in, and have set up.

I don't know, for example, how profitable the PUC is. We've heard complaints, or we've heard submissions from those that are connected in the past or know about PACT complaining that PACT resources are stretched tight. Yet we are asking them to contribute 10% of their \$7.50, I suspect, and any other income that they have on top of the \$32.50 that was stopped. The Border Management Agency, I don't know how profitable they are. Belize Trade and Investment Development Services, BELTRAIDE, the very BELTRAIDE that we believe should be given more resources to make our country more competitive to encourage small business, medium business, to encourage business, now we are taking away. So the private sector is taking another cut when we know that we have to have an economy that is competitive, when we know we have to have an economy that is growing and we have to encourage private sector growth, and this

is one of the agencies that is tasked to do that. Belize Tourism Board, again, I don't know if they are making money or if they are not. We've never been able to see their accounts. So, BAHA, BAHA is an agency that needs to grow. I don't know if they have excess money or not. The Belize Airport Authority, well, they had some good income flows from the new taxes that were raised recently for them.

But my point is, Mr. President, that this arbitrary assessment of 10% it would be nice to know where that number came from. And I would like to suggest as well, Mr. President, that it would be nice that these things not be pulled, for example, last year under dividends BTL was listed separately. This year we see for the first time BEL being reported, but it is compiled with BTL, and the numbers didn't grow at all. And instead of having other transfers, PACT, PUC and others, all bundled up into one, I would like to suggest that they be given their own head number or their journal number or whatever so that we can clearly begin to see what each body is contributing, and we continue to ask that these entities be audited and financials be provided. We also have called over the years for the Auditor General to audit these entities because we have interest in them. We've never seen, again, any funds in this book, any returns from APBEL, and we know we have shares in APBEL. So, Mr. President, I think that is about it. Thank you.

SENATOR M. PEYREFITTE: Mr. President, very quickly, listen, there is nothing wrong with not knowing something, you know, Mr. President, but there is a difference between not knowing something and then you wear your ignorance like a badge of honor. Why do that? BWS and BEL, those are not statutory bodies. Those bodies are not here because they are not statutory bodies. They are regular companies for which the Government owns a certain share amount, and so the Government would appoint the Chairman, for example, or something to that effect. But you cannot put companies in here that are not statutory bodies because this is a specific Act to deal with statutory bodies that are created by statute, that are creatures of statute. Mr. President, the next thing...

SENATOR M. LIZARRAGA: Mr. President, on a point of order.

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

SENATOR M. LIZARRAGA: The Honourable Attorney General is misinterpreting what I said. I was looking under a specific section that says dividends in this book, and BTL and BEL are listed under that. That was my point.

SENATOR M. PEYREFITTE: And what's the point of order?

SENATOR M. LIZARRAGA: Let me finish.

SENATOR M. PEYREFITTE: But what's the point of order?

SENATOR M. LIZARRAGA: Mr. President, please.

SENATOR M. PEYREFITTE: Senator Courtenay was insisting that Senator Coy state what the point of order is, and we have to be fair. What's the point of order?

MR. PRESIDENT: Senator Peyrefitte, if you jump up like that, and I am asking him what's his point of order, and we can get it done. Your point of order is that it is part of the statutory bodies.

SENATOR M. LIZARRAGA: He is misrepresenting what I was pointing out.

MR. PRESIDENT: He is explaining it.

SENATOR M. LIZARRAGA: But he is explaining from around premise.

SENATOR M. PEYREFITTE: That's not a point of order. That's a clarification, if you want to know.

SENATOR M. LIZARRAGA: You can't misinterpret me, man. You can't misquote what I am saying.

MR. PRESIDENT: Senator Peyrefitte, let's cool our heads, and let's continue please.

SENATOR M. PEYREFITTE: Well, let me say it slowly, Mr. President. If you don't know, you ask somebody. You don't come in the Senate and state things that are just simply not the case. Certain companies are not in here. When you ask, where is BEL? Where is BWS? Those companies are not statutory bodies.

MR. PRESIDENT: Senator Lizarraga, come on, you have had your chance.

SENATOR M. PEYREFITTE: I guess it's only me who has to abide by the Standing Orders.

MR. PRESIDENT: Senator Peyrefitte, we don't need to go through all of that you know. We can just get the job done, and let us move on. Let's continue, Senator Peyrefitte.

SENATOR M. PEYREFITTE: Mr. President, Senator Lizarraga is talking about what he doesn't know, and I hope that I heard him correctly, but he was speaking in English. He doesn't know the profitability of this one and the performance of this company. He doesn't want to know. The simplest thing to do is that we have a Freedom of Information Act. You can write to these companies and get all the information that you want. And then to the point that some are possible, that if you do an assessment, where this 10% comes from, for some companies or some statutory bodies you can tax even more because some of them can afford more, but that is why you have this section here that says at 4(3), "In this section, "prescribed percentage" means 10% or such other amount as the Minister may, subject to affirmative resolution, prescribe, by Order published in the Gazette." So it doesn't have to be 10%. It could be less than 10%, and it could be more than 10%. You do that after you assess the performance and the state of revenue of that particular statutory body.

And this goes back to the overall concept, Mr. President, take, for example, the Public Utilities Commission. It is already required in the PUC Act that all of their revenue come to the Consolidated Revenue Fund, but we have never exercise that because we want them to operate as an individual entity without the interference from Government, but we have never said, "Give us all your money". We have left them with the money so that they can operate and they can do their jobs. All we are saying is, "Look, you are already required to give us all. Give us 10% because central Government needs the money to perform its duties as well". All we are saying in general, as it goes in sync with the budget

itself, we all have to be on board. Everybody has to contribute to the system, and everybody has got to pay something for the Government to deliver its services in order to not retrench anybody, for the teachers to get paid and for the services to continue to be rendered. That's all it is. Thank you, Mr. President.

SENATOR E. COURTENAY: Mr. President, we have concerns about this Bill. The rationale was given in the budget speech of the Honourable Prime Minister which appears on page 14, and I will read. He says, "And I should also report that the very first revenue measure to be adopted in the new financial year will be this: all statutory boards are hereafter required to contribute 10% of their 2017/2018 income to the Consolidated Fund. If the expenses of these quasi government entities cannot be as vigorously policed as Ministries and Departments, then the next best alternative is to reduce their income flows." Mr. President, the Prime Minister of the country is saying that, "If the expenses of these quasi government entities cannot be vigorously policed as Ministries and Departments, then the next best alternative is to reduce their income flows. I understand the decision to be that there is a question about policing the monies that these people, these entities, are receiving, and, as a result of that, you are going to take away 10% of their income.

Mr. President, each of these statutory bodies created by their respective Acts are required to have their accounts audited on an annual basis. It cannot be right for the Prime Minister to say that there is a concern or a question about the policing of these statutory bodies when they are required by law to be audited. If, and I must assume that the reason why this policing is not taking place is because they are not being audited because if they are being audited then there is no question about policing them. You have an audited account, and the accountant is either going to give him a clean audit or a qualified audit. But it is more important than this, Mr. President, because, if there is a question about the policing and if there is under insufficiency of audit, then, how do we know how much revenue is going to be raised by this measure?

And in the big book on page 21, and, Senator Peyrefitte, I will seek some clarification from the two experts beside you. On page 21, under transfers from the Belize Tourist Board which is one of the statutory bodies that is included here, in 2016/2017, they expect to get \$2,340,973. Now there is going to be, as I understand it, a 10% takeaway, but the amount expected, for 2017/2018, is \$2,075,673. It does not seem to me that 10% from the BTB is going to be added to the amount that they are already taking. More fundamentally, Mr. President, when you look at other transfers from PACT, PUC and others, in 2016/2017, \$624,025 was recovered or is expected to be recovered and, in 2017/2018, \$4,636,506. So roughly aside from the BTB these other entities are going to produce to Government, as I understand this, and I stand to be corrected, \$14.6 million in additional revenue. That is saying to me one of two things. These statutory bodies either have an excess of \$14 million in this one financial year, or there is going to be a cut of \$14 million from these statutory bodies. What impact, Mr. President, will such a cut have on their operations? Look at the bodies that we are talking about, the Border Management Agency, the Institute of Culture and History, the PACT, and the Public Utilities Commission. Are we cutting their budget by 10%? Or are we talking 10% of excess that they have? And if there is such an excess why you are only taking 10%? Suffice it to say, Mr. President, we find that, unless there is some clarification of these issues, it is difficult, if not impossible, to support this revenue measure.

My final point is clause 6 of the Bill which sets out that the "Sums due on accounted of development contribution shall be included among the debts accorded priority under any law" And now this, "The development contribution is a debt due to the Crown and recoverable as such in any court of competent

jurisdiction or in any other manner provided by law.” It is remarkable, Mr. President, that we now have a law where the Government is saying that it is going to be suing statutory bodies to collect monies from them. Is it that we have statutory bodies that are not going to follow the law, and the Government is going to be suing them in the courts of Belize? Mr. President, I don’t believe that this has been thought through carefully. It seems to me to be a desperate measure and not taken with sufficient study. I thank you.

SENATOR REV. A. ROCKE: Some may frown at this, but I believe that if you have a concept of 10%, as a measure, it is what you use as a person when you go to church, for instance. We understand that the 10% is tied to the church. The appreciation for the 10% is that it will help the function of the church. Now it’s not something that the Minister will take away from you, but your conscience will tell you that in order for something to work accurately everybody has to contribute to it. So that, if in your mind you understand the 10% issue, giving 10% to aid in the support or in the care of the country, that should not be an issue to you. Also, when I listened to the Prime Minister made the statement about the 10%, he said that, for instance, if the BTB wanted back the 10% because they had some reason for it and they had some use for it, he was prepared to give them back. So it sounds to me that, while there is a need for the 10%, it sounds to me like the Prime Minister has no issue if the organization comes back and says, “Well, you know we need this 10%. Give it back to us.” He sounds like he is willing to give them back.

SENATOR A. SALAZAR: Mr. President, I just wanted to clarify an issue in relation to the comment made about whether this is coming from an excess or whether it is coming from revenue. I think the answer is that the revenue means “in relation to a specified statutory body means the aggregate amount of the income of that body from the collection of taxes, fees and any other levies and charges or other sources of income, but excluding funding from international organizations or funding entities, or funding from the Government.” So I think that is clear. That is a clear definition of what the income is.

Secondly, I really don’t wish to pick on the business Senator, but I really don’t understand the stance of the Chamber. It seems as if though Government can never do anything right. There is nothing that they can find any merit in. This seems like an obstructionist mentality. This 10%, we already understand the lean economic times that we are in. All of us must do our part. Government is asking for 10% from its statutory bodies to help close the deficit or to assist in meeting the 2% deficit, to assist in its financing gap. If anything is going to be accomplished by this, it is going to force these statutory bodies to become linear and more effective in their management, which is something that the Chamber keeps beating its chest about. So I really don’t understand what in the basis of opposition. I am a member of the Chamber, but surely that doesn’t speak for me because I don’t see what the rationale is for opposing something like this.

MR. PRESIDENT: Senator Duncan, can you please have a seat because I can’t skip Senator Barnett again? Senator Barnett, go ahead.

SENATOR DR. C. BARNETT: Thank you very much, Mr. President. Let me see if I can add a little bit more color to the discussion. There are two issues in relation to the statutory boards. One is the revenue issue, and the other is the operation, transparency and accountability, not only in terms of the finances of the boards but also in terms of the extent to which they are serving their intended purposes. There is a larger conversation that is already taking place, and, in fact, there is a group that’s looking at the matter to see, for each statutory board, the extent to which they are performing the objectives for which they were

established, the extent to which the programs that they do are serving the purposes for which they were established, and this group is a group within Cabinet. And so it's to bring greater accountability to that process. Now accountability does not necessarily refer only to whether or not the accounts are audited. I was the Chair, for example, of the BTB. The BTB is audited every year. Senator Salas sat with me on the BTB Board. So he would know that, in fact, the audits are done, and they are transmitted, as the law requires, to the Ministry of Tourism. That's what the law requires. It may be that they don't get transmitted here, but it is not the responsibility of the BTB to do that. I am not so familiar with the other statutory boards and their requirement in terms of reporting, but all of them are required to be audited, and I know that a fair amount of them at least, as I've been told, do get their audits done and do submit those audits to the parent Ministry. But, as I say, it's not only about whether or not they are audited. It is also about the work that they are supposed to be doing. So there is that bit of work that's happening.

In terms of the legislation to take a portion of the revenue, the way it is worded it says, "prescribed percentage means 10% or such other amount". That such other amount creates the scope for there to be a discussion about what the appropriate amount might be in relation to each statutory board, and it would also ensure that that discussion falls within the ambit of the operational, can I say the word integrity, of the board in terms of its requirement under the law that established it. So there is this scope for that conversation. But the intention is not only a revenue intention. The intention is larger than that. It is about ensuring that statutory boards are functioning within the provisions of what their laws require. So that's, as I say, the added bit of color. The 10% is an initial sum that is set here, but the scope is there for a discussion and agreement on what an appropriate sum might be in relation to any or all of the statutory boards. Thank you, Mr. President.

SENATOR S. DUNCAN: I have just two points, Mr. President. Firstly, the 10%, I think, it makes it more, and I want to say, equitable in that the smaller statutory bodies will clearly have to give up less based on their revenue. But I get the sense in the way it is worded that it is designed to try to avoid micromanagement where you already pay people at that level to run these statutory bodies. You get the 10% of the revenue, and I have no doubt that those CEOs and directors will make the necessary adjustments to make sure that they balance their budget and their finances. I am able to talk for a couple of the statutory bodies, and I know that BTB, for instance, they do audited accounts that are made available. I cannot speak for all. I guess, in a sense, I am talking with a different hat where I have access to their audited accounts. So I know it is available. What needs to be done to get it here is a different matter, but I know that, in fact, they do prepare, and some of the statutory bodies are very judicious in how they run their affairs. So I believe it is from that point. Setting a figure of 10% makes it easy for everybody to have that, and it's impacted to the extent of your revenue size and base, and you make the adjustments to suit, which I am sure CEOs and people being paid at that level will be able to make the necessary adjustments to balance their books, considering they are not necessarily profit-making entities. That is not their primary purpose why they were setup, no.

SENATOR O. SALAS: Yes, President, I have a couple quick comments. Well, I think, first, for the Belize Tourism Board, I want to support what my colleague, Senator Dr. Barnett, said just now. I can confirm that the BTB does its audit every year. I can confirm that their accounts have moved from the red to the black. I can confirm that there is good fiscal management there. What is not happening and is something I've been asking for is for their financials to be made public, and I will keep asking for that because I think our stakeholders need to see that.

But my second point on the 10%, I think, you know, the way it is structure here it comes out as an arbitrary rate. And if we look at section 4(3), “or such other amount”, another interpretation of that is that it could go up and it could go up. My point on this is that once we start this there is no turning back in terms of taking revenue from these statutory bodies, many of them that do a very important job, very important work. I refer to BAHA which the Leader of Government Business, Senator Hulse, referred to as being at the top of their game. BAHA has been at the top of their game, and they do very important work, a very important work to modernize agriculture and services, etc. They need more support not less. The Belize Tourism Board, while their financials may not be public but they’re submitted to the Ministry of Tourism, as Senator Dr. Barnett mentioned, we need to do more marketing, smarter marketing in tourism. We need to reach out to new markets such as Mexico, which even though they are just right next door we only got about 3,000 or 4,000 Mexican tourists to Belize all of 2016. So they have more work to do there, and, also, they need to expand their marketing in Europe, etc.

Now you know PACT will get, with that 10%, a good whap, if I can put it that way. I want to refer to 2(i) which says, “any other statutory body”. That tells me that others such as the Coastal Zone Management Authority and Institute can be added as well, a statutory body that does extremely important work in relation to the plan development of our coastal resources. They do monitoring and research, and they have very limited resources. So the 10%, proportionally speaking, might not look like it is high, but it is a lot to them, and I very concerned about where that would put a statutory body like the CZMAI. So it is a word of caution there.

SENATOR V. WOODS: Mr. President, I have just a couple brief comments based on what I’ve heard. Ten percent is ten percent. I don’t think we need to argue about that. It is 10%, and that has nothing to do with being equitable. What was stated publicly by the Minister of Tourism after the presentation of the budget, and this was raised by the Prime Minister, and when he was interviewed he clearly stated that if he was not leading it he was certainly a part of the Cabinet team that was going to look at the statutory bodies and assess, if you will, Mr. President, to rationalize which statutory bodies, their health in terms of if they can afford this or not. Clearly that hasn’t been done because the list has not been changed. So that was point number one.

Point number two, you know, Senator Rocke, I hear you with the 10% and the tied with church. This is not church. You see church that is voluntary. I don’t think the church can sue its congregation or any of its congregation if he or she so chooses not to give 10%. I have never heard of a government legislating to sue one of its own because it’s a quasi government department, it’s a statutory board, and it does not act in isolation of the Minister responsible for the portfolio of that area. Case in point, Minister Heredia, the Minister of Tourism in charge of the Ministry of Tourism, when you look under that Ministry, the Belize Tourism Board falls under it. I have to admit that I am genuinely surprised that we are accepting statements that we would like that the Belize Tourism Board audits or financials to be public. Whether you would like it or not, it is required by law, Chapter 275, I believe. So my question is, why has it not been made public? This concern of policing, who better to police than the Ministers in charge of these statutory boards because they are required by law to submit the budget estimates every year? They are required by law to submit those reports and to make it public. So why are we depending on one or two directors to say, “Please, can you please make it public?” It is required.

The other concern I have, and obviously it would be the similar concern I had with PACT. When I was asked about, “How can you effect change at the statutory authority called PACT?”, when I first went there because it’s a kitty fund, and it’s a slush fund. One of the things was that we needed to make it more autonomous, and we did that. Of course, that was unraveled in November of last year when the Government passed the amendment to the PACT Act. But it is going to be further weakened, that very intent of PACT, for the same reason cited earlier on the \$32.50 being channeled through PACT. It is a Trust Fund that is earmarked for conservation. And, yes, it falls under the Ministry, and correct me if I am wrong here, Leader of Government Business, but I do believe it falls under the Ministry of Agriculture, Fisheries, Forestry and Sustainable Development of which you are the lead Minister of the entire Ministry, but there is a Minister of State. So they too should be able to provide those financials publicly, if there is a concern. Lay it at the House. If there is a concern that it is not being managed properly, then let’s fix that. But to suggest an open statement that we have issues when we don’t even know if we do because nobody is doing what they are supposed to do, required by law under each of these statutory bodies, there is a problem, indeed. But is it really at the statutory body level? Or is it that those who are ultimately in charge of what is going on are not doing the oversight and the monitoring?

And I also have to point out, Mr. President, that just like the attempt that was made with the \$32.50 through PACT, when you read what is expected on these 10% transfers, I may be wrong by a couple thousand or so, but it amounts to an additional revenue of roughly \$16 million, I believe. I go back to the taxes that are uncollected that were shown in the budget that we debated. If we went after that, in addition to what was hoped to be collected from the \$32.50, you are still ahead of the game because you still have more uncollected tax, \$55 million of uncollected tax. It could do this because I do agree with Minister Heredia on this point. I do think the statutory boards should be assessed, absolutely. And I also support, Mr. President, that, if it turns out that a statutory body is not properly managing monies entrusted to it to collect by the Government, then perhaps it needs to cease being a statutory body. But one has to do that exercise. One has to actually sit down and get those reports and analyze if their outcomes are what they should be against budgets, against programs, that were stated they were going to do. Until we do that, we are shooting in the dark.

SENATOR REV. A. ROCKE: I just want to make a correction, Mr. President. I don’t see any cross in here or nothing. So I know this is not church. I was talking about a culture that if it is applied it works well. As a manner of equity, it does work well. It does have to do with equity, Senator, because we are talking about businesses that have different budgets, and, if 10% is applied from any of the businesses, 10% is 10%. So equity does make sense.

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Thank you, Mr. President. I want to say three quick things. First of all, in aid of my colleague, Senator Lizarraga, from the business, and this back and forth with dividends, having shown under that same head of 4.1, dividends actually are properly placed because they are voted by shareholders at an AGM, how much and what percent will be paid, and then that money comes to government as revenue for having had so many shares. The transfers, of course, are what we are trying to get here, but this is basically what you attorneys call it, an enabling piece of legislation. It enables the Minister to collect up to 10% of a statutory body’s revenue, after it has filed its report and determined that, in fact, it

can function. That 10% can be up, and it can be down. Senator Salas is correct. It could be more. There are statutory bodies that have slush fund, but they have a huge bank account, and they do all kinds of things. In fact, it was reported to me at one time that some of those people fly first class and all sorts of things when they travel, and they travel every minute all over the world. They have excess slush fund. The idea here is to, notwithstanding that the law requires that they file these things annually, this law now requires that they do it quarterly and that it is looked at, and any excess, and it doesn't mean that Government will strapped them because in some of these cases Government has to put money into them too, which is the other way around. The whole idea of statutory bodies was so that they be nimble, and they wouldn't have to go through the whole process of the Financial Secretary to get money, etc. They are nimble, and they are specifically focused on a certain thing. But let's not lose sight of the point that this will be done, and each person here will be given again an opportunity to debate whether we should take from one of these or others because it comes here for affirmative resolution. It means that it is not a done deal. The National Assembly has to approve all S.Is for affirmative resolution. So you can vote it down again when it comes. What they will do is that they will say, "Well, look, from PACT, we will get 22%," and I am sure Senator Salas and other people who are concerned about it will jump up and say, "You are crazy", and they will vote it down, and that's it. But the point is that it's an enabling piece of legislation to allow it to happen.

I don't know and I will certainly not quarrel with my friend, Senior Counsel, because I am none, but I've also heard that there are some of these people who sign on these accounts and they are intransigent. So I think the law is saying, look, understand that this is a debt owing and can be collected in the courts, if you get hard-nosed and decide that, well, you won't give it to us. That would ensue a fight, but then remember that a lot of these people on the boards are appointed by other bodies, not necessarily appointed only by the Government, and so all of that that, I think, if there is any potential mischief, it is trying to fix. It is an enabling piece of legislation, and I ask for its support.

MR. PRESIDENT: Honourable Members, the question is that the Bill for an Act to make provision, in furtherance of national development, for specified statutory bodies to be required to transfer to the Consolidated Revenue Fund, on a periodic basis, a fixed percentage of their revenue; and for purposes connected therewith or incidental thereto, be read a second time.

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

Bill read a second time.

9. Criminal Code (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 Criminal Code, Chapter 101 of the Substantive Laws of Belize, Revised Edition 2011, to make provision for, among other things, the specification of a minimum term of years, which an offender sentenced to life imprisonment for murder shall serve before the offender can become eligible to be released on parole, incorporating the option of summary trial for the offences of arson and escape; and to provide for matters connected therewith or incidental thereto.

SENATOR V. WOODS: Mr. President, may I request, if possible, since it's the three remaining Bills, can they just be tabled together since they are connected?

MR. PRESIDENT: We are dealing with that already, Senator Woods. Honourable Members, my apologies for standing, but it doesn't mean anything but my back.

Honourable Members, the question is that the Bill for an Act to amend the Criminal Code, Chapter 101 of the Substantive Laws of Belize, Revised Edition 2011, to make provision for, among other things, the specification of a minimum term of years, which an offender sentenced to life imprisonment for murder shall serve before the offender can become eligible to be released on parole, incorporating the option of summary trial for the offences of arson and escape; and to provide for matters connected therewith or incidental thereto, be read a second time.

SENATOR E. COURTENAY: Mr. President, what we were suggesting is that all be taken together for the purposes of a debate.

10. **Evidence (Amendment) Bill, 2017.**

11. **Indictable Procedure (Amendment) Bill, 2017.**

12. **Parole Bill, 2017.**

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Mr. President, by confirmation with colleagues, I will read all the Bills together.

Bill for an Act to amend the Evidence Act, Chapter 95 of the Substantive Laws of Belize, Revised Edition 2011, to provide for oral evidence to be taken by live video link or other electronic means; and to provide for matters connected therewith or incidental thereto.

Bill for an Act to amend the Indictable Procedure Act, Chapter 96 of the Substantive Laws of Belize, Revised Edition 2011, to make new provision in relation to prescribed minimum sentences of imprisonment, having regard to, among other things, companion amendments to the Criminal Code in relation to sentencing for persons under 18 who are convicted of murder; and to provide for matters connected therewith or incidental thereto.

Bill for an Act to provide for the enshrinement in substantive law of the parole regime, the eligibility for the consideration of parole in relation to persons serving life sentence for murder, the modification of the composition of the Parole Board, the introduction of new offences in relation to activities unduly affecting the operations of the Parole Board; and to provide for

matters connected therewith or incidental thereto, be read a second time.

SENATOR V. WOODS: Mr. President, I rise to share some comments on these Bills, some of which applies to one or two of them and the others. So it is good that it was done in tandem, all four. I will ask your permission to refer to my notes. Mr. President, the comments I make on these are from a perspective of human rights, something that is very dear to me and something that required me to particularly pay attention to these Bills, particularly that of the Criminal Code (Amendment) Bill, 2017. Madam President, we are aware, as it was disclosed in the House meeting by the Prime Minister, of the urgency that has been given by the Government to rush these amendments to the Criminal Code Act, the Indictable Procedure Act, the Evidence Act, and the Enactment of the new Parole Act. For a country which is a signatory to the Human Rights Convention, it is laudable that these Bills are being tabled, although the driving force behind it isn't the Convention but more the possibility, as I gathered from that statement in the House, of an impending case or a case that is about to be heard before the Caribbean Court of Justice, either this week or next week or something to that effect.

But, Madam President, we can't forget, especially since today follows a weekend of six to seven murders, the environment that we are living in with increasing murders. I put to the Senate the consideration of these Bills devoid of the concerns that citizens naturally would have about the Government rushing a legislation that now, for the first time, provides the imprisonment with the possibility for parole, as a legislated option, for persons convicted of murder. This is historic. It is the first time this is being done. A person convicted of murder now has a legislated option for life imprisonment. That wasn't the case before. But I stood on a point of my concern from human rights perspective because human rights should be, if we are signatories to that Convention, available to all persons for which it is assumed that this Bill tries to address. My personal and humble view is that it would have been preferred if all parties concerned had more reasonable time to consult and develop a sound workable mechanism for the consideration of parole of a person convicted of murder. In principle, Madam President, as a signatory to Human Rights Convention, any Bill that promotes the abolition of degrading treatment to prisoners should be one that is viewed as a responsible approach and in compliance with the principles of that Human Rights Convention. That's why I say it is laudable.

However, one has to appreciate the concern that Belizeans would naturally have if such provisions for parole are not given the due diligence it requires before it becomes law. In a society rocked by increasing rate of murders, varying in circumstances and manner, the Government must know and realize that the citizenry, all of us really, should be cognizant of the fact that such a measure now deserves a more responsible approach and clearly-stated minimum requirements, but clearly stated, to reduce life sentences, especially for those convicted of murder. Why is that important? It is because the human rights principle here, yes, applies to the prisoner, but it also applies, or consideration has to be given to the family of the victims. So what are some of my specific observations? And they are a few. The members of the Parole Board, for example, they are not independent, Madam President, of the executive branch of Government. So the ultimate sentencing for that prisoner must be determined by judicial review, as I understand my reading of it. But specific provisions should be made for this in this Bill. Where is the clause, for example, Madam President, that provides for contribution or recommendations of qualified representatives from the community or rehabilitation programs or services to the board's deliberation?

If one were to have consulted with Kolbe Foundation, Kolbe Foundation, we know, manages the Belize prison and does it with the principle of rehabilitation. We could appreciate their participation because of the impact effects or results, if you will, of that rehabilitation service. And why would we want that? It is because obviously we would want to minimize parolee re-offences. We don't want a situation where we have had that prisoner come out on parole only to go back in. We want to minimize that. And so it would be good if they had membership on that board specifically, since they would best know any progress towards the rehabilitation of the said prisoner.

Another observation, I didn't see the mention of any stated criteria for the release of the prisoner. Remember we are talking here strictly to those convicted of murder. So what are the specified circumstances in which a person convicted of murder can be released on parole? I didn't see it while reading it. Perhaps it's because of the facts quite frankly of what occurred over the weekend that drove me to make sure that I spend a little bit more time than, I confessed, I would normally have done on these types of Bills because you have to think of the victims of these crimes and the families impacted while you consider the human rights approach. You have too. Without clearly-stated criteria, conditions for release, as I read it, appear to be discretionary, but then, if so, requires or should require that the Parole Board is sufficiently equipped with the expertise.

Another observation, Madam President, will the prisoners convicted of murder, if we are doing this in the interest of human rights, will they know what he or she must work towards to for the consideration of parole after serving a minimum life sentence term because if we are serious about human rights they should know? If this is being done in the name of human rights, then that criteria has to be clear. And the Parole Board needs to know what that criteria is for fair and due process, both for the prisoner and the board, but particularly for the family of the victims who have been murdered.

Another observation, where are the provisions that the prisoner convicted of murder would receive copies of all the material reviewed by the board before he or she goes before the board? Again, if this is housed in the interest of human rights, and subsequently there are also all the reasons for rejecting the application for parole. If this is not considered, Madam President, and these are questions I am raising just because of what I have read, and I confess, because of the environment in which we live in that clearly seems to be one that we have with increasing murder rates. But, if this is not considered, are we possibly looking, Madam President, at a state engaging in litigation due to those infamous legal technicalities that were not followed? So, if we don't do this, meaning declare a provision of all this information, are we really making the system of governance more efficient and more effective? And are we really practicing those principles of human rights?

What are the circumstances, as another observation, in which a prisoner might be recalled to the prison because that is also provided for in the Act? But it doesn't tell you what would be the circumstances. What it says is that it only refers to reasonable cause. Well, what is that? And who determines that? Again, I am thinking, while I respect human rights and while we all should because we've signed on, we cannot do it devoid of the consideration of the family of the victims. Would the prisoner who is now paroled, who then is recalled to prison, be able to challenge it? It is not clear, Madam President.

What is also not clear to me, as a final observation, unless I misinterpreted, what is the minimum life sentence that the prisoner should have before the consideration of parole? And should that minimum life sentence be

varied based on nature of murder, circumstance, and age of the victim? I didn't see it.

I want to be clear, Madam President, I am not objecting to the intent of this law because it is in accordance with that very important Convention of Human Rights. But, for such a weighty matter on legislating life imprisonment sentence with the possibility of parole for those who have been convicted of murder, should there not have been rules of procedure clearly stated? And, without these rules of procedure now present, can we really say that these Bills will do what it is assumed they were to do, and that is to prevent a life sentence from amounting to inhumane or degrading treatment? So those are my observations, requiring a lot of clarification based on what was presented to us. We recognize the urgency of it, but I do think the Senate needs to be aware that there are many other follow-ups that need to be done to ensure that this does not come back to us with more litigation because we did not do the due diligence. So thank you for the time.

SENATOR M. PEYREFITTE: Madam President, all the concerns raised by Senator Woods are in the Acts, all of them. Let's make clear to the public what these amendments are doing. It is still on the books, it will still remain on the books, as it presently does, that a person convicted of murder who is an adult, and there is a distinction in here for a person who is a minor, will either be sentenced to death, if the murder is serious, egregious enough and classified as the worst of the worst. The message that is being sent out there to people who want to commit murder is that you can still be sentenced to death. The alternative as well, as exists now, Madam President, is that that person can instead, if the judge decides or the court decides, that that person is not to be sentenced to death, that judge or the court can then sentence that person to life imprisonment. That is still the law. What these amendments are doing, Madam President, they are saying that, if a person is not sentenced to death but to life, before the judge sentences that person to life, the judge can tell that adult person, "We will sentence you, and based on after a number of years that you will serve in prison, because it is the court at that stage that will set the minimum sentence. It can say, for example, "You are sentenced to life but after 25 years you will be eligible for parole." So it is the court that sets the minimum sentence.

Now it is spelt out that the court will take into consideration, as it always does, certain factors when sentencing a person because matters go on a case-by-case basis. Not everybody will be sentenced to 25 years, not everybody will be sentenced to 20 years, because the circumstances may differ. If you look into the Criminal Code, Madam President, it says at section 106(4), but let us start with (3). "Where a court sentences a person to imprisonment for life in accordance with subsection (1), the court shall specify a minimum term, which the offender shall serve before he can become eligible to be released on parole in accordance with the statutory provisions for parole." And subsection (4) goes on to say, "In determining the appropriate minimum term". So, what is the minimum term? The minimum term is set by the judge or by the court. Say, for example, Mr. President, it sets out there on subsection (4) what the court will consider before it sets a number of years. In determining the appropriate minimum term under subsection (3), the court shall have regard to, (a) the circumstances of the offender and the offence", such as this was not a brutal murder per se, but there was an argument between friends, and the circumstances indicated that one person killed the next person in anger, and somehow the court determines that it is still murder, and the offender may have no previous convictions. It is not a person known to the law to give trouble. That can determine how long that person is sentenced for, especially in some cases, Mr. President, when we do litigation in criminal matters, the court would even invite as a mitigant, if you will, the family, in most cases the parents or a parent of the victim, and many times those parents would say, "Listen, this

person has been convicted of murder, but the person he killed was my son, but I know they were friends. I know that under normal circumstances that would not have happened.” It can go towards the judge then setting a less stiff penalty or sentence than if the person was just set out to just brutally kill the person. It is set out there, “(b) any aggravating or mitigating factors of the case; (c) any period that the offender has spent on remand awaiting trial.” So, if a person is remanded in 2017, but their trial doesn’t come until 2022, that 5 years can be considered in the minimum sentencing. And (d) says, “any relevant sentencing guidelines issued by the Chief Justice”, and the Chief Justice is currently working on releasing some sentencing guidelines. And then you have (e), “any other factor that the court considers to be relevant”. So the court can take into account anything that it wants when it wants to set the minimum term of years. It is right there. And the reason why you can’t have one or you can’t say 20 years or 25 years or 15 years is because it is decided on a case-by-case basis. Penalty, especially prison sentences, cannot be done on an objective basis. It has to be done on a subjective basis.

Now Senator Woods spoke about parole. And her concerns are covered in the Act. It is covered right there. If you look at, and I think, correct me if I am wrong, but I don’t want her to jump up and say that I am misrepresenting her, but that the prisons were not represented on the board. I think that is what I heard she said. But it is right there at section 3(1) of the proposed Parole Act. “There is continued a body known as the Parole Board, which for the purposes of this Act is,” and it can be found in the proposed section 3, Mr. President, “for which the purposes of this Act is to consist of the following nine persons appointed by the Minister, (a) the Chief Executive Officer of the Ministry responsible for prisons” who will be an *ex-officio* member. By virtue of being CEO responsible for prisons, you are, as it says there, as well, the Chairman of the Board and a member of the Board. It says, “(b) the Director of Prisons.” So the Director of Prisons is *ex-officio*, by virtue of being the Director of the Prisons, on the Parole Board. It says, “(c) a person who holds or has held a judicial office.” It could be a magistrate, a judge, something to that effect, whether retired or currently in the system working. It says, “(d) a representative of the Office of the Director of Public Prosecutions; (e) a representative of the Belize Police Department; (f) a registered medical practitioner, who as far as practicable should be a psychiatrist; (g) a representative of the Ministry responsible for Human Development; and (h) two other persons appearing to the Minister to have knowledge and experience of the supervision or after care of discharged prisoners, or who have made a study of the causes of delinquency or the treatment of offenders.” The Parole Board is well-constituted by people from different aspects of law enforcement, and it gives the Minister to appoint two private individuals who have nothing to do with the system at all. And they would then sit and consider matters that come before the Parole Board. It is there properly constituted. The police is represented. The DPP is represented. The prison is represented. There is a wide array of people who will sit on this Parole Board.

Now Senator Woods, wondered if there was a criteria for parole, like what would guide them. If you look at section 4(3), let’s start with 4(2), Mr. President, because Senator Woods had some concerns about the offender being given, I think, documents or an ability. Section 4(2) says, “In considering any case for parole,” whether it is the original parole or a recall or anything like that, “the Board may request any person, including the offender himself, to provide information or to make representations which in the Board’s opinion, may be of assistance in reaching a decision.” So clearly I cannot envision, Mr. President, the natural justice consideration. Why you would make a decision about an individual’s liberty without giving that individual a chance to be heard? It is right there.

And then it says now, “In considering any case for parole, the Board shall take into account, (a) the nature and circumstances of the offence for which the applicant was convicted and sentenced; (b) the sentence imposed by the court and any comments made by the court when sentence was imposed; (c) the safety of the public, and of any person or class of persons who may be affected by the release of the offender; (d) any representations made by the victim of the offence or any person acting on his behalf;” because remember now the Parole Board, as constituted, will not just be for murder. It is not a murder Parole Board. It is for all offences for which people are sentenced and sent to prison, and they want to be released earlier than the term given by the judge. It says, “(e) any representations made by the offender or any person acting on his behalf;” and “(f) the welfare of the offender and his reformation and training while in prison.”

So I am sure, Senator Woods, that Senator Courtenay will be there several times acting on behalf of these persons asking for parole, as an attorney. Not only is he entitled to be heard, but he is entitled to have a lawyer with him because if you look at section 4(3) it is not discretionary. “In considering any case of parole, the Board shall take into account” what the offender says and his attorney or representative. And then it says, “(i) the reasonable probability that the offender will live and remain at liberty without violating laws;” and it says, (h) the likely response of the offender to supervision by the parole officer.” And look at (j) because Senator Woods spoke about concerns to the family of the victims, for example, or even to the victim, him or herself, if the person was not murder. Look at (j), “any other factor that the Board may consider relevant in reaching a decision.”

So then the board can look at the circumstances of the case and say, “Look, on a case-by-case basis, we didn’t require for that parolee, but we can require it for this parolee based on the circumstances of the case.” It’s a well-thought-out Act. And, if you look at (c), because of the reference to different activities, look at (c), “the safety of the public, and of any person or class of persons who may be affected by the release of the offender.” It is covered right there. It’s a well-written piece of legislation presented by the Attorney General’s Ministry. I don’t deserve all the credit, but I will take it, if you give me.

The Act even considers when the person is released on parole. Then what then? Let us just say that the Parole Board decides to release them. It covers it in section 7. “Where an offender is released on parole, the following general conditions apply, (a) within twenty-four hours after his release on parole he shall report to a parole officer”. He has to give his address. He has to let the parole officer know where he or she is working, what they are doing on a regular basis, and the parole officer can require the information at anytime he or she wants. And the parole, that situation will remain until the person sentenced would have been fulfilled, according to the standards and the sentence set by the judge.

So I think, Mr. President, the major concern here was the parole and the treatment of the prisoner who has been affected. And then I think this Parole Act covers it very well. If you look at section 8, it says, “Where an eligible offender is released from detention by the Board under this Act, he shall be on parole from the time of his release until the expiry of his sentence of imprisonment, and the term of the sentence shall continue to run while he is on parole, as if he were still serving the sentence.” So, if you are sentenced to 10 years for robbery and you are released after 5 years, you will still be considered as serving a ten-year sentence, but 5 of it will be outside of the prison, where you can work and you can earn a living. And, if the Parole Board has decided that you have reform or there is a great chance of you reforming, then the parole officer will report that to the Parole Board, and you will still be considered serving your sentence because you will be serving the balance of your sentence, while outside of the jail but still under the

supervision of a parole officer. So I think I have raised all the points by Senator Woods. And I think, indeed, Senator Woods, when you drink that good wine and grab a Danish or something and you read it over because you said, indeed, that there was limited time to study it, you will see that it covers all the concerns that you have.

But let me address something else that you said, very quickly. Yes, indeed, the urgency of it is because of what we have to do in a couple of days for the CCJ, but not only that but because, as a Ministry, when the court rules in a certain way, we, as the Attorney General's Ministry, and I can only speak about myself and my long tenure of two and half months, that we have to respect and adjust to what the court is reflecting to be their thinking. We are of the belief that times have changed, yes, and considerations have to be put into place before we can make certain decisions about prisoners and different people of committed offences, but as well we have to follow the guidance of the court. The Court of Appeal and the CCJ have indicated to us that we need to address these problems in the law. And so being a dutiful Attorney General we have to listen to what they are saying and adjust the law accordingly. And, indeed, if we may say so, we agree that if a person, for example, who commits a murder, say, a 19 years of age, and he is sentenced to life without any release valve, you are telling that person that it makes no sense for them to reform. It makes no sense for them to take a different outlook at life. And even if that person were to become a model citizen after a number of years there would still be no option for them to prove that they have changed. What these Acts are doing in that they are saying that if you commit murder you will be punished and you will be punished severely, but if you prove that you have reformed, or if you prove that you are a different person than the one that was convicted for murder, then you can be paroled by a duly constituted Parole Board. And that is my submission, Mr. President.

SENATOR O. SALAS: Yes, Mr. President, I will be very brief. I would like to point out an area where we might improve on the Parole Act, in relation to the composition of the Parole Board that my colleague referred to. I think the board should be better balanced, and I would want to suggest that the Kolbe Foundation who has the capacity to appoint qualified specialists in the area of offender rehabilitation, I believe at section 3(1)(h) that they should be the ones nominating these two persons to ensure that we have the qualified specialists on that Board. I understand that the rate of recidivism of parolees has been getting lower and lower, and this is as a result of the approach that the Kolbe Foundation has been taking.

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Mr. President, I move that the question be put collectively for the following Bills: Criminal Code (Amendment) Bill, 2017; Evidence (Amendment) Bill, 2017; Indictable Procedure (Amendment) Bill, 2017; and Parole Bill, 2017.

MR. PRESIDENT: Honourable Members, the question is that the Bills namely the Criminal Code (Amendment) Bill, 2017; the Evidence (Amendment) Bill, 2017; the Indictable Procedure (Amendment) Bill, 2017; and the Parole Bill, 2017, be read a second time.

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

Bills read a second time.

III COMMITTEE OF THE WHOLE SENATE ON MOTION 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 Motion referred to it and, thereafter, in accordance with Standing Order 54, the Committee of the whole Senate to consider the Bills that were read a second time.

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

(In the Constitution and Foreign Affairs Committee)

MR. PRESIDENT in the chair.

1. **Establishment of the National Assembly Staff Committee 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. **General Revenue Appropriation (2017/2018) Bill, 2017.**

Clauses 1 to 3 agreed to.

Schedule agreed to.

2. **Central Bank of Belize (Amendment) Bill, 2017.**

Clauses 1 and 2 agreed to.

3. **Customs and Excise Duties (Amendment) Bill, 2017.**

Clauses 1 and 2 agreed to.

4. **Stamp Duties (Amendment) Bill, 2017.**

Clauses 1 and 2 agreed to.

5. **General Sales Tax (Amendment) Bill 2017.**

Clauses 1 and 2 agreed to.

6. Environmental Tax (Amendment) Bill, 2017.

Clauses 1 and 2 agreed to.

7. Statutory Bodies (Development Contribution) Bill, 2017.

Clauses 1 and 2 agreed to.

8. Criminal Code (Amendment) Bill, 2017.

Clauses 1 to 4 agreed to.

9. Evidence (Amendment) Bill, 2017.

Clauses 1 and 2 agreed to.

10. Indictable Procedure (Amendment) Bill, 2017.

Clauses 1 to 3 agreed to.

11. Parole Bill, 2017.

Clauses 1 to 15 agreed to.

Schedule agreed to.

Bills to be reported back to the Senate without amendment.

PUBLIC BUSINESS

A. GOVERNMENT BUSINESS

IV MOTION

(Adoption of Motion)

1. Establishment of the National Assembly Staff Committee 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 Establishment of the National Assembly Staff Committee 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 this Senate nominate the Honourable Senator Michael Peyrefitte to be a member of the National Assembly Staff Committee.

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

V REPORTING AND THIRD READING OF BILLS

1. **General Revenue Appropriation (2017/2018) Bill, 2017.**
2. **Central Bank of Belize (Amendment) Bill, 2017.**
3. **Customs and Excise Duties (Amendment) Bill, 2017.**
4. **Stamp Duties (Amendment) Bill, 2017.**
5. **General Sales Tax (Amendment) Bill, 2017.**
6. **Environmental Tax (Amendment) Bill, 2017.**
7. **Statutory Bodies (Development Contribution) Bill, 2017.**
8. **Criminal Code (Amendment) Bill, 2017.**
9. **Evidence (Amendment) Bill, 2017.**
10. **Indictable Procedure (Amendment) Bill, 2017.**
11. **Parole 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 following Bills and passed them without amendment: General Revenue Appropriation (2017/2018) Bill, 2017; Central Bank of Belize (Amendment) Bill, 2017; Customs and Excise Duties (Amendment) Bill, 2017; Stamp Duties (Amendment) Bill, 2017; General Sales Tax (Amendment) Bill, 2017; Environmental Tax (Amendment) Bill, 2017; Statutory Bodies (Development Contribution) Bill, 2017; Criminal Code (Amendment) Bill, 2017; Evidence (Amendment) Bill, 2017; Indictable Procedure (Amendment) Bill, 2017; and Parole Bill, 2017.

Mr. President, I move that these Bills be read a third time.

MR. PRESIDENT: Honourable Members, the question is that the General Revenue Appropriation (2017/2018) Bill, 2017; the Central Bank of Belize (Amendment) Bill, 2017; the Customs and Excise Duties (Amendment) Bill, 2017; the Stamp Duties (Amendment) Bill, 2017; the General Sales Tax (Amendment) Bill, 2017; the Environmental Tax (Amendment) Bill, 2017; the Statutory Bodies (Development Contribution) Bill, 2017; the Criminal Code (Amendment) Bill, 2017; the Evidence (Amendment) Bill, 2017; the Indictable Procedure (Amendment) Bill, 2017; and the Parole Bill, 2017, 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.

A D J O U R N M E N T

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Mr. President, before I move, I would like to just take the opportunity to wish all my colleagues, Senators, a very blessed Easter, as we may not meet before the Easter, which is two weeks from now, I think it is. Having said that then, I move that the Senate do now adjourn.

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

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

The Senate now stands adjourned.

The Senate adjourned at 9:25 P.M. to a date to be fixed by the President.

PRESIDENT
