

Independence Day Address 2015

Delivered by Prime Minister Hon. Dean Barrow

Belmopan, Belize, 21 September 2015

Your Excellency, the Governor-General, Sir Colville Young, and Lady Young My Lord Chief Justice, Kenneth Benjamin, and other Justices of the Supreme Court Hon. Leader of the Opposition, Francis Fonseca, and Mrs Fonseca, Hon. Ministers of Government and Members of the National Assembly, Your Worship the Mayor of Belmopan, Mr. Khalid Belisle. My Lords the Bishops of the Roman Catholic and Anglican churches of Belize, Bishop of the Methodist Belize/Honduras District, President of the Evangelical Association of Churches, other members of the Clergy, Excellencies of the Diplomatic Corps, Members of the Consular Corps, Special guests, Distinguished Ladies and Gentlemen, Fellow Belizeans.

September 21 this year arrives to the accompaniment of an even greater than usual celebratory chorus. And the multiple positive developments occurring during the first three quarters of 2015, have appeared to reach a flood just in time for Independence Day. Thus it is that we have now procured vindication in what was an ongoing battle to win final acceptance of our decision to take back the Belizean patrimony constituted by our nation's essential public utilities.

For my Administration, It is almost impossible to overstate the significance of the BEL and BTL settlements. After all, this has been for us a kind of second sovereignty campaign.

Now, after six years of struggle, those two fundamental Belizean assets are ours to have and hold forevermore. And to further concretize this achievement, let me announce right away that Government will be offering an additional 10% of the shareholding in both companies to the Belizean – and I stress Belizean – public. In the case of BEL it will mean a seat on the Board for the small shareholders, and in the case of BTL it will mean a second seat for those small shareholders. We therefore think it meet and right that all Belizeans embrace this second coming; and that this year, in these circumstances, we give particular swell to the strains of patriotism that annually animate our anniversary festivities.

The settlement capstone coming now, is a fitting acme to all that's been happening since the start of this year. For truly the nine months between January and this day, saw social and infrastructural advances in our country that took us to the summit of those heights we have been scaling since 2008. And there is yet more infrastructure progress to come, as you shall hear in a moment.

But on the social side I want at once to express my great satisfaction at the record salary increases that, for the second year in a row, we have been able to give to our civil servants: to our teachers and nurses and doctors and soldiers and policemen and all public officers.

Our economy is doing well. The great growth of the first quarter was succeeded by a small contraction in the second, due to some difficulties with commodities and in particular the huge resource decline in oil. But grains will recover from drought, shrimp from disease, and citrus from the market conditions that saw a temporary fall in price. Meantime we are still at 2.7% in GDP year-over-year increase, inflation is just about the lowest in the region, and unemployment is significantly down.

Because we expect continued economic and revenue growth, next year should see a third salary raise for Government workers and this is really quite extraordinary. They are the largest individual sector workforce, and the multiplier effect of these big boosts in their disposable income cannot be stressed enough. They are also the bulwark of our middle class. And this Administration has always been focused on two things: bootstrapping the poor, and expanding the middle class. It is with pride, then, that we point to the social protection and job-creation efforts (especially in construction) we have chartered for those at the margins; and the growing of the public service middle class by the reclassification of administrative grades and the net rise of pay scales. In both cases, our National Bank has completed the equation by providing hitherto undreamed of access to affordable, indeed cheap, credit.

Talking about employment and wages, gives me a chance to address the situation of the workers at the Karl Heusner Memorial Hospital. Their case is a special one. They are not, with the exception of a few seconded from the public service when the KMH Authority came into being, Government employees. So strictly speaking their conditions of service, including salary, have nothing to do with GOB. But you couldn't tell them that. They know that Government still subsidizes the KMH, and in fact to the tune of 36.4 million dollars annually. It is out of this subsidy that their salaries come, they see that GOB has been able to find more to pay its public officers, and they want equal treatment, the same access to Government's bounty. While the situation is not quite as straightforward as they make out, we have heard their cry. And the position is that GOB will find the funds to provide them with the salary increase that, after negotiations, was agreed with the KMH Board and the Cabinet sub-committee. We demanded something in return, though. We expect that the staff and administration at the KMH will begin to demonstrate immediately their ability to engage in efficient cost recovery and the cutting of waste; and that they will start to move now towards the financial self-sustainability that autonomy for the KMH was supposed to mean. Also, as a matter of principle GOB does not want simply to hand over the monies for the salary increase as a gift. We will therefore treat it as a buyout of the debt owed by consumers, by the Belizean public, to the KMH. As of

year end 2014, that total in unpaid bills amounted to around 9 million dollars. Of course, in trading off these bills that people owe to the KMHM, we won't be giving KMHM dollar for dollar. We will, though, pay them enough to do two things. The first is to fund the salary increase to the expected tune of just about 2 million dollars. And the second is to assist with residual costs for the new, state of the art, PICU/NICU that is to be opened next month.

The figure for this should not exceed another million dollars, since the bulk of equipment and construction monies has already been provided by the fund-raising efforts headed by my wife. At the risk of being accused of nepotism by those that do not know the proper meaning of the word, I pause now to ask you for a round of applause for Kim Simplis Barrow; and for all, especially Oak Foundation, that contributed to making the PICU/NICU a reality.

So. This write-off to the public of 9 million dollars in their unpaid KMHM bills, which the collection agency hired by the KMHM will now no longer be hounding anyone for, is this year's Independence Day gift to people from the Government of Belize. For the sake of completeness, and to make that gift even greater, we will also forgive all monies currently owing by patients to all Government hospitals throughout the country. This amounts to another 2 million dollars and, we are sure, will be especially appreciated by residents of our towns and villages.

Ladies and Gentlemen, my fellow Belizeans: I said I would return to the issue of infrastructure and I do so now.

I want to point out that I had said earlier this year that we were going to roll out PetroCaribe to the rural areas, and we have done so with a vengeance. Since March we have spent around 20 million dollars in village constituencies, and we are not done yet. We have reached every single constituency, if not every single village, and this UDP transformation phenomenon is now truly countrywide, truly national.

A while ago I spoke of the economy and was pleased to emphasize its basic soundness.

What I wish now to do, is to underscore that tourism remains our single largest driver, and talk a little about our plans to continue encouraging its star turn. These include additional marketing and quality improvement efforts. But they also include destination infrastructure improvement, and there are three projects in that connection that I wish to highlight. First, there is the continuation of the North Ambergris Caye road project. We have just signed a contract for the construction of another 4 miles of the road providing land access to the premier resorts on North Ambergris, making for a total of 11 miles that we have already funded. When this next phase is completed we will sign for the last few miles to take us to the Basil Jones airstrip, which we will redevelop, redesign and expand into an international airport. I am also happy to announce that Basil Jones will be renamed the Efrain Guerrero

International Airport in honour of the eponymous, recently deceased San Pedro patriot.

With this, we expect a phenomenal new opening up, a veritable tourism explosion, in Ambergris Caye, which is of course already our market leader.

We are also constructing a new road to Lamanai via Bermudan Landing and Lemonal.

That contract has also been signed, and this will mean that Lamanai will now form part of the day trip circuit for cruise passengers and provide increased tourism opportunities to Orange Walk and to the Belize Rural North villages along the route.

Finally, and this really will constitute a new jewel in the tourism crown, we are going to do a paved highway to Caracol, with two points of origin from Georgeville and Santa Elena.

We are funding locally, and have already signed the contract for, road rehabilitation from Cristo Rey to San Antonio and thereafter to the junction with the Georgeville road. Then the OPEC and Kuwaiti Funds, which are already doing the rehabilitation of the Hummingbird Highway, will partner together to take us the 40 plus miles from the junction to Mountain Pine Ridge and then to Caracol. In addition to the huge tourism boost this will provide, it also carries tremendous implications for a quantum improvement in our security protection arrangements for the Caracol area.

Talking about security, we are pleased with the disbursement start now of the 30 million U.S. Cabei loan. As has been detailed, the monies will assist the police, the BDF and the Coast Guard.

The improvement in forensic capability that is part of the deal should, together with improved policing, lead to a better crime solving and conviction rate. The community outreach of the police especially on Southside Belize City, will combine with a second surge in hope and improved living and job conditions that the commencement now of Southside Poverty Alleviation Project Phase 2 represents. Under the programme, a total of 37 million dollars is being spent on the Southside Constituencies. The money funds improved streets and drains; land reclamation and landfill; construction of new homes and home improvement; education, training and social development. This dramatic GOB infusion of money and resources, together with the revised Southside strategy of the police high command, should contribute to the reversal of the alarming spike in the murder rate, especially in Belize City, that this year brought.

The Coast Guard will get two new, latest model vessels for maritime protection and illegal drugs and fishing interdiction. And the BDF will be able to acquire multiple additional assets that,

along with the one helicopter already confiscated and the two more coming from Taiwan by Christmas, will greatly increase its capacity as the front line guardian of our territorial integrity.

Of course, the BDF will also build the forward operating base on the North Bank of the Sarstoon River as it continues to assert and exercise Belizean sovereignty in that area.

This is a sovereignty that Government and all our security forces, as a matter of first principle and existential duty, will always wholly maintain. But we do not need civilians, however well-intentioned, to complicate matters. In flashpoint situations, preservation of the sovereignty and security equation must be left to our trained, professional, and highly skilled military; a military that has time and again demonstrated its ability to take care of business and perform at a level out of all proportion to its small size.

Before I close, a word to our private sector.

The settlements with Fortis and the former BTL shareholders, will in time no doubt bring increased opportunities to partner with Foreign Direct Investment. But even now, relying only on local resources, chances are going begging. There is, for example, still not enough advantage being taken of the excess liquidity in the system. Government is therefore committed to helping you, the Central Bank and the commercial banks, work through issues that continue to bedevil the lending institutions and access to credit. Tax reform, which will rationalize the business climate and provide breaks even as it closes loopholes and seeks to address abuse, is at long last in train. And Government is determined to make doing business in this country easier, something that has to become the foremost mandate of the ministry of trade and commerce.

But I repeat that our economic fundamentals are good. Our debt trajectory, especially with compensation for the nationalizations being way below what the pessimists had projected, is eminently manageable. And with the buyout of high interest SuperBond debt with low interest PetroCaribe funds, our prospects are excellent over the longer term. As with the other sectors, then, the world-or at least Belize's corner of it-is your oyster. We urge you, therefore, to go forth and profit.

Ladies and Gentlemen, My Fellow Belizeans:

I conclude by saying that the shades of our National Heroes, of George and Philip, are keeping watch over us. George Price was the father of our Independence and Philip Goldson the defender of our democracy. There is, in my view, quite a confluence occurring now and we are proceeding to build on two foundational legacies. We do so by consolidating economic sovereignty and cross hatching it with George Price's political sovereignty and territorial integrity; and by expanding social protection and increasing individual opportunity to make

perdurable Philip Goldson's free speech, libertarian democracy. In doing this my Administration, as always, seeks to do right by all the people of Belize. And as a Government on this last Independence Day before the next general elections, we stand before the bar of history fully expectant of a judgment recognizing us as the good and faithful servants we have always striven to be. So, confident in the job we have done and the support of our citizens, my Cabinet and I wish each and every Belizean, at home and abroad, a Happy Independence Day.

Que viva Belize y Dios nos bendiga.