



BELIZE CHAMBER OF COMMERCE & INDUSTRY

4792 Coney Drive, 2nd Floor Withfield Tower, P.O. Box 291 , Belize City, Belize, Central America

Press Release

Wednesday, September 12th, 2018

THE UHS MATTER

-For Immediate Release-

The Belize Chamber of Commerce and Industry (BCCI) condemns the ugly political drama that played out in Parliament on Friday, August 31st, 2018, when parliamentarians convened apparently with no clear intent to constructively resolve the decade-old UHS debt saga.

The self-serving charges and childish rhetoric thrown tastelessly around our dignified National Assembly on that day, served only to further impoverish our nation. The indisputable fact is that neither side is exempt from blame. This debt is a specific example of the carelessness and irresponsibility of our leaders toward the country they are elected to lead.

A much smaller debt, wrongfully incurred, was shunted from court to court, and now that debt has grown to monstrous levels. True leadership would address the matter squarely, rather than leave this debt to become yet more atrocious. Instead, the ruling party announces, in advance, its intention to make it some other generation's problem, no matter what the ultimate cost. Her Majesty's Loyal Opposition in turn, chose to walk out instead of voting, abdicating their sworn - and salaried- duty. Neither side appeared to have the will or the desire to set petty partisanship aside, and to find a constructive solution to the problem.

Parliament must uphold the rule of law. The nation's highest court has ruled that the debt is lawful, and must be paid. That decision is final and binding on Belize, whether we are pleased with the decision or not. Parliament's duty was, therefore, to vote to ensure that the debt is paid. **A 'no' vote does nothing to erase that debt or stop mounting interest.** Since Belize is saddled with this debt, our elected representatives must find a solution to reduce the liability now borne by the people of Belize, and at the minimum, to arrest the interest, which compounds daily.

If our parliamentarians wish to demonstrate that they have Belize's best interests at heart they should also vote on legislative reforms to strengthen Government's financial and fiscal risk

management controls, to prevent a recurrence of this untenable situation. Supplementary measures to limit Government's liability and risk can include:

- a) The use of quantitative limits,
- b) The mandating of risk sharing between the guarantor (government) and private-sector obligor, to alleviate adverse selection or 'moral hazard',
- c) Policy reforms requiring all guarantees to be part of the budget appropriation in the year they are issued, and
- d) Legislation requiring adequate funding, or insurance of contingent liabilities to cover expenses in the event a guarantee is called.

As always, the BCCI remains willing to assist and work with the relevant parties in finding an amenable solution. Blame is easily thrown; responsible leadership demands finding solutions.

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