

We wish to bring it to the attention of the Bahamian people that the Prime Minister is aware of a major scandal involving a member of his cabinet and involving millions of dollars in taxpayers' money. It is so bad that the Prime Minister had to intervene in March to instruct the

Secretary to the Cabinet to have the contracts in question cancelled. But the Prime Minister still has not taken any action against the minister. Nor has the Prime Minister said anything about this matter to the public. The minister in question is the Minister of Tourism, Vincent Vanderpool-Wallace.

We have only recently come into possession of the full facts in this matter. There may be some who will question the timing of this statement but we have taken great care to verify the facts set out below.

We consider it our duty to bring this matter to the public's attention because of the Government's failure to do so. The matter needs to be brought out into the sunshine. We owe that duty to the Bahamian people.

We wish to emphasize that everything contained in this statement is based on official documents. The facts are these: THE CONTRACT WITH TMA

1. In August 2010, the Minister of Tourism, Vincent Vanderpool-Wallace, persuaded the Ministry to give a marketing contract to an American company called Tourism Marketing Alliance Inc. ("TMA").

1. The contract called for the Ministry to pay .65 million dollars of Bahamian taxpayers' money to TMA. This was to be paid on a quarterly basis: 7,000 dollars every three months.

1. Altogether more than 5,000 of this contract price has, in fact, been paid already. On top of that, all of TMA's expenses have been paid as well.

1. Now there was something fishy about this deal from the very beginning, so much so that senior officials in the Ministry of Tourism decided to investigate and get to the bottom of it. This investigation was led by the highest official in the Ministry, the Permanent Secretary. Also eventually involved in the investigation at various stages were the Director-General of Tourism; the Director of Legal Affairs in the Office of the ATTORNEY-GENERAL; the Government's U.S attorneys, Hogan Lovells; and the Secretary to the Cabinet, Anita Bernard.

1. Interestingly, however, the Minister himself was kept in the dark until after the investigation was nearly over. It is clear from the record in this matter that the Ministry officials simply did not trust him to be brought into the loop until they had gathered all the facts. This was understandable since it was the Minister who had fixed TMA up with the contract in the first place.

1. As a result of the investigation, it was discovered that TMA – the same company that Minister Vanderpool-Wallace had persuaded the ministry to give the contract to – was not what it had claimed to be. It had completely misrepresented itself. It simply did not have the capacity to perform the services it had agreed to perform. In fact, TMA was a shell company. It didn't own anything. Its own tax return

stated that it had a value of only 10 dollars. It didn't even have any directors. It claimed that it had a staff of "experienced marketing and tourism services executives" and other support staff. In fact, TMA had no such employees. In the words of one of the reports, "the staff....do not exist". As a senior ministry official put it in another memo, the TMA Agreement "is based upon lies". Its only employee was one Tom Crockett, the same man that Minister Vanderpool-Wallace had fixed up with the TMA contract in the first place.

1.It should be repeated that even though TMA did not have any employees or other office infrastructure, it was still being paid 7,000 every three months. This is the deal the Minister had put together. And he also arranged for Tom Crockett to carry the title of 'Chief Marketing Officer'.

1.But it gets worse. On top of having to pay this phony company 7,000 every three months, TMA was also getting the Ministry to pick up the tab on other foreign persons that Crockett got the Ministry to hire in connection with the TMA contract. On top of that even, the Ministry had to pay for all of TMA's expenses, and pay its U.S taxes too! So, this was a net deal to Crockett and whoever his silent partners were.

1.Eventually, the Government's lawyers – both the AG's Office and the lawyers in Washington – concluded that this was a clear case of misrepresentation and that the government should terminate the TMA contract for cause. This was fully supported by the Ministry's senior executives as well. They knew that the Ministry was not getting any value for its money from Crockett or TMA and that there was a rotten stench about the whole deal.

THE CONTRACT WITH DESTINATIONS SOLUTIONS

1.But it gets even worse. In October of last year, Minister Vanderpool-Wallace got the Ministry to enter into yet another contract – this time with a company called Destination Solutions LLC –'DS'. This company was formed in Florida just three days before the contract with the Ministry was entered into. So, it was a company without any track record or history.

1.This contract called for DS to have an exclusive deal with the Ministry to develop a "comprehensive online booking solution" with a view to increasing online bookings for travel to The Bahamas.

1.That sounded all well and good but it later turned out, after an internal investigation, that the managing director of DS was none other than the same Tom Crockett who owned TMA. It is unknown at this time who his silent partners were because when he was pressed on this point Crockett said that they did not want their names to be disclosed.

1.In any case, this contract with DS was actually negotiated by the Ministry with Crockett as part of the Ministry's negotiating team. Imagine that. Crockett negotiating on behalf of the Ministry to give himself yet another contract at the expense of the Bahamian taxpayer!

1. And what a contract it was! It called for DS to be immediately paid 1,000 dollars – that’s before doing anything at all. And then it called for another ,000 to be paid at a later point; and yet a further ,000 to be paid after that. On top of that, the Ministry agreed that it would pay DS a so-called “licensing fee” of 5,000 every year, increasing 3% on each relevant anniversary up to a maximum of 10%. All that to a Florida company that was only three days old when it got this contract, and who nobody in the Ministry could find out really owned.

1. Of particular note, the DS contract called for ‘call centres’ with telephone operators to be set up in the United States. Why would the Government of The Bahamas agree to such a thing? Why couldn’t these call centres be set up in The Bahamas so that Bahamians could be given the jobs as telephone operators; jobs that are so desperately needed at this time. The DS contract provides other examples of jobs being created for foreigners that Bahamians could fill.

1. Now after the Minister was confronted with the findings of the internal investigation, even after he was informed that the AG’s Office and the Government’s lawyers in Washington had advised that the contracts should be terminated for cause because of misrepresentation and conflict of interest, and even after he was advised that both the Permanent Secretary and the Director-General of Tourism were firmly of the view that the contracts should be terminated as well, the Minister, Vincent Vanderpool Wallace, still wanted to keep the contracts in place! That part of it simply boggles the imagination. What responsible Minister would try to hang on to contracts that involved misrepresentation, deception, conflict of interest, and obscenely inflated fees being ripped off from our Public Treasury?

1. And yet that is precisely what the Minister did. In fact, he went even further. In January this year, he accused the Permanent Secretary and the Director-General of “digging” – that was his word – into matters that they should not have been digging into in the first place. He even wrote a long memo trying to defend himself and Crockett. He did not want to fire TMA, DS or Crockett. He wanted to hang on to them and he wanted to keep the two contracts in place – this despite the damning advice he had received from all quarters.

1. In March of this year, the Prime Minister and his Cabinet were made aware of the matter and of the advice that had been received. The result was that on the 26th March, the Secretary to the Cabinet, Anita Bernard, instructed the Permanent Secretary to terminate the contract with TMA. It is unclear, from what we have seen to date, whether any similar termination-instructions were given in connection with the other contract, the one with DS.

QUESTIONS Having laid out the facts, we have the following questions -

1. WHY HAS THE PRIME MINISTER NOT FIRED VINCENT VANDERPOOL-WALLACE FROM HIS CABINET? WHEN HE, THE PRIME MINISTER, FOUND ABOUT ALL THIS AND INSTRUCTED THE CABINET SECRETARY TO INSTRUCT THE PERMANENT SECRETARY IN THE MINISTRY OF TOURISM TO TERMINATE THE TMA DEAL, WHY DID HE NOT ACT DECISIVELY AND FIRE VANDERPOOL WALLACE? WAS IT BECAUSE IT WAS TOO CLOSE TO ELECTION AND POLITICAL EXPEDIENCY RATHER THAN PRINCIPLES HAD TO COME FIRST?

OR WAS IT BECAUSE INGRAHAM JUST TALKS A GOOD GAME ABOUT THESE THINGS BUT WHEN THE RUBBER HITS THE ROAD HE GOES QUIET AND PROTECTS HIS MINISTERS, IN THE SAME WAY THAT HE DID FOR BRENT SYMONETTE OVER THE ROADWORKS?

1. IS MR. INGRAHAM PREPARED TO NOW FIRE MR. VANDERPOOL-WALLACE? IF NOT, WHY NOT?

1. IF MR. INGRAHAM IS NOT PREPARED TO FIRE HIM, IS MR. VANDERPOOL-WALLACE PREPARED TO RESIGN IN LIGHT OF THE DISCLOSURES CONTAINED IN THIS STATEMENT? IF NOT, WHY NOT?

1. HAS THE MINISTRY OF TOURISM NOW SEVERED ALL RELATIONS WITH TMA, DS AND TOM CROCKETT AND, IF SO, ARE STEPS BEING TAKEN TO RECOVER ANY OF THE HUGE SUMS OF MONEY PAID TO HIM/THEM, AS RECOMMENDED BY THE GOVERNMENT'S LAWYERS?

1. WHY DID THE MINISTER ENGAGE TOM CROCKETT AS CHIEF MARKETING OFFICER WHEN THERE WERE ANY NUMBER OF MORE QUALIFIED BAHAMIANS IN THE MINISTRY WHO COULD DO THE JOB ? WAS THIS JUST ONE MORE EXAMPLE OF A GOVERNMENT THAT DOESN'T BELIEVE IN BAHAMIANS, DOESN'T LOOK OUT FOR BAHAMIANS, AND ALWAYS PUTS FOREIGNERS FIRST, OR WAS IT SOMETHING ELSE?

1. WHY DID THE MINISTER ENTER INTO A CONTRACT WITH DS THAT CALLED FOR SO MANY JOBS TO BE, IN EFFECT, SHIPPED OVERSEAS. THIS CONTRACT EVEN CALLED FOR 'CALL CENTRES' – TELEPHONE OPERATORS – TO BE HIRED ABROAD. WHY COULDN'T THESE CALL CENTRES BE SET UP IN THE BAHAMAS SO THAT BAHAMIANS COULD BE HIRED RIGHT HERE INSTEAD OF GIVING THE JOBS TO FOREIGNERS?

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Know their

Time Is UP!!



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