

# The Local Contractors' Snow White Cake Slices.

The Prime Minister's cavalier comments as published by DNO on 25<sup>th</sup> January 2022 demonstrates the esteem with which he holds private enterprise, hard work and industry in the development of Dominica. Or rather, probably it is an exposition of his inability to chart a development path that is inclusive of the tenants of the National Anthem, ***"Strive for honour sons and daughters, do the right, be firm, be fair. Toil with hearts and hands and voices, we must prosper! Sound the Call in which everyone rejoices, "All for each and each for all"."***

## ***1. ACE Engineering Ltd is The Government of Dominica's Benchmark***

It is rather obvious by now that the Government of Dominica recognizes the value of hardworking private sector companies and individuals who will not stoop to dishonor the State by being engaged in illicit and corrupt practices of accepting government contracts (jobs/projects) without going through the transparent public procurement procedures of TENDERING, values that are recognizable in ACE Engineering Ltd.

ACE Engineering Ltd's mission statement is simple, *"Satisfying our clients' requirements by providing good quality and timely services in a financially viable manner while maintaining a good and safe environment where people can showcase their talents."* ACE Engineering Ltd has: (1) employed between 45 and 120 persons since 2005, (2) operated in a financially prudent manner, (3) met all tax and social security responsibilities, (4) not been engaged in corrupt or illicit practices with government officials to obtain public sector work, and (5) continued to advocate for transparent public procurement practices.

By always singing the praises of ACE Engineering Ltd, the value that the Prime Minister and other government officials strive to highlight to the rest of the private sector, is the ability of ACE Engineering Ltd to exist and prosper in an environment, designed and perpetuated by the government, which is hostile to growth in the private sector.

The Prime Minister wants to highlight that ACE Engineering Ltd which started with the desire to serve and work with the people of Dominica, and has not relied on government assistance, in terms of loans, fiscal incentives, debt and tax forgiveness, or below all, corrupt procurement practices or under-the-table contracts to prosper.

## **2. The Geothermal project**

With regards to the **OPEN TENDER** that ACE Engineering Ltd won for building two (2) drill platforms for the geothermal project:

- (1) The project is funded by the UK Government and administrated by the World Bank. So in short, the Prime Minister did not have the opportunity to “*slice that cake*”! Therefore, ACE Engineering Ltd could participate, and did win, in its usual way, **A FAIR AND TRANSPARENT PUBLIC TENDER.**
- (2) That in the tender process, the average submission by indigenous local companies was EC\$8M. However, as with the Kalinago Housing Project, one of the Prime Minister’s preferred “non-local” contractor, CIE Ltd, tendered amount was EC\$26M. If the Prime Minister had control of this cake, Dominica would have paid more than three (3) times the value! Dominica would never have been able to afford geothermal energy! ***This is a prime example of the danger of what could and does happen when there is NO OPEN and TRANSPARENT PUBLIC TENDER!***
- (3) The Prime Minister failed to indicate that the many other segments of the geothermal project have been, and is being funded externally, and hence it is not his “cake” to share slices inappropriately and at prices which would make the geothermal project unsustainable and a failure.

## **3. Access to Government funded work by Local Contractors**

There is a great difference between the availability of work to local contractor when it is funded by a foreign donor or financier, such as CDB and World Bank, and when it is funded by local funds including the CBI. **OPEN and TRANSPARENT TENDERS ARE REQUIRED FOR CDB AND WORLD BANK PROJECTS.**

Yes, local contractors are engaged in the World Bank’s Housing Recovery Project, but it is as a result of BCAD’s early intervention immediately after Hurricane Maria where BCAD engaged and influenced the World Bank in the design of this project to ensure that small contractors had the opportunity to be engaged. It is a tremendous pity that more than 74 of our contractors did not participate. This has absolutely nothing to do with the Prime Minister. As a matter of fact, if he could have undone it, or reversed it like the continuity of CVQ training, he would have! It is BCAD’s fault in that it has not been boasting about this and many more of the success stories where contractors have benefitted! It is worth noting, that although ACE Engineering Ltd is eligible to bid on these small housing projects, and have been invited to bid, it has not submitted tenders because the effort was meant to allow the smaller contractors opportunity for growth and to be engaged!

The jobs mentioned by the Prime Minister where local contractors are engaged are

(1) all jobs that are given to “his friends” in secret - **NO PUBLIC TENDERS**, no transparency, (2) generally not directly engaged by government - there is a “middle man” sucking out the marrow from the bone, and (3) are not open to transparent participation of all qualified local contractors. The Wesley case is typical of that, as some of these contractors are reporting getting a raw deal from the “middle man” hired by the Prime Minister.

The government of Dominica wants the private sector to get the impression that one can only get a “slice of the cake” if you are prepared to engage in illicit practices. It is no wonder that the Prime Minister as Minister of Finance has presided over a new procurement act that has not only legalized corruption, but truly placed local contractors at a greater disadvantage.

Transparent access to “government projects” by local contractors, truckers and the average resident Dominican National should be an integral part of the development agenda for a good government interested in the development of its people. In fact, it should be a given that government procurement practices ensures that the target participants are those where growth is realized and employment is created nationally, and that poverty is progressively eliminated. That was one of the objectives of the procurement act repealed by the parliament led by the Prime Minister.

Our grandparents’ economics reminds us that to facilitate real growth in the economy we need to ensure that everyone who so wishes has a fair opportunity at being an entrepreneur, to start a business of providing goods and services to others and to employ others in doing so. Our local contractors are simply the loudest voices in saying just that - ***please provide us with a fair and transparent opportunity to bid and obtain work on government funded projects.*** We do not want handouts, or “cake slices”. Let us choose to eat dasheen and fig, if that will make us economically healthier and more independent, with less chance of financial ruin from the diabetes of paying kickbacks to corrupt politicians. Local contractors want the opportunity to compete fairly and work hard to build the economy and continue to employ our youth.

Probably we need to ponder on these points:

1. Why is the Prime Minister trying to pat himself on the back for saying he is doing something which is an integral part of his job description as Prime Minister? It is clear he is trying to make another excuse for not being able to create an environment which facilitates economic growth.
2. When last was a tender for government construction work, funded by local funds, including CBI, been publicly advertised? When last was a local construction company been able to bid in an open transparent public tender for public sector work? When was the last time any private sector entity given the opportunity to participate in government procurement in an open transparent manner that was opened to the general public?
3. Construction is traditionally a good economic indicator. The local building and construction sector has shrunk - we can hardly find enough to measure! Where is the furniture industry we once knew? Where are the truckers and the line of trucks at

Rockaway? Where are the Contractors who were readily available to build the local housing stock?

4. All praises to COVID-19, Hurricane Maria, and the other natural disasters. These have blinded us to the economic ruin of this country under the Prime Minister's watch as Minister of Finance.
5. Why are our foreign owned banks running away - if the economy was flourishing - if that corrupt practices of giving friends jobs and project was working for the economy and the whole country was benefiting?

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