

**Presentation by Hon Robert Montague, MP,
to Parliament**

Tuesday December 5, 2017

Mr. Speaker

There has been a debate surrounding the pre-owned motor vehicles policy and procurement.

Many of the contributors to the debate have formed their conclusions and opinions but they are not factual. I seek to provide the facts in order to be transparent and accountable to the Jamaican people.

The Background

First, the policy saw its birth by way of a manifesto commitment leading to the 2016 General Election (February 18, 2016).

This policy was deliberately designed to get more cars to the police using the same level of resources bearing in mind that the main constraints facing the economy have just now started to bear fruit. **(Slide 1)**

With that in mind Mr. Speaker we are only one and three quarter years into our term. At this point, we have secured and delivered 160 pre-owned and new vehicles and repaired and returned to the fleet, 114 vehicles that lay idle, some from as far back as 2012.

We are going through the procurement process for 119 which are to be received before Christmas.

We will not breach the Government of Jamaica's Procurement Guidelines.

To put this in context, at the end of 2012, the police had 257 cars and at the end of the second year of their political term, they were at 385.

We are at one and three quarter years in our term, we have provided 274 vehicles and by Christmas we will be up to 393 vehicles.

Important to note, is that this figure to date does not include the 66 units which are on the wharf.

While we purchase vehicles, we do not allocate vehicles, but we are confident that the Commissioner of Police has been allocating vehicles to stations that are without vehicles and as more resources become available will continue to do so.

The House can be assured that the tax issue surrounding the 66 will be resolved. I also want to assure that this Minister will not breach the Procurement guidelines or any law governing the country.

THE STORY BEING TOLD THAT THE POLICE HAVE FEWER VEHICLES IS NOT TRUE!

Mr. Speaker the procurement of the 274 units that have already been delivered and the 119 to come has not breached any of the GOJ procurement guidelines and will not breach any.

Now allow me Mr. Speaker in the interest of transparency, clarity, accountability, and good governance to share with the nation the details of the procurement of the 200 motor vehicles.

Mr. Speaker, please note that the role of the Minister is to drive policy. I am deeply hurt and I take it as an affront when people carelessly attack the reputation and the professionalism of the technocrats at the Ministry of National Security whose responsibility is to execute policy.

Now Mr. Speaker let me provide you with a timetable of the events.

On **September 10, 2016** an advertisement appeared in the National Press for 80 cars and 120 double- cab pickups. **(Slide 2)**

The offer was divided into 5 lots in order to give an opportunity to small business owners to participate. This means registered motor car dealers could submit for one or more lots. **(Slide 3)**

On **September 14**, the tender document was made available for purchase and seven companies bought the procurement package.

October 5 was the closing date for the submission of bids. This was extended to October 12 due to the threat of Hurricane Matthew.

On **October 12, 2016** in the presence of representatives from the Office of the Contractor General, and those who submitted bids as well as the Ministry of National Security, the tender box was opened.

Three tenders were found, Tryvisco Enterprise, O'Briens and Motor One Imports. One additional bid that was not placed in the box was rejected and returned unopened because it was not submitted on time according to the GOJ procurement process.

Mr. Speaker, the Ministry will not breach the GOJ Procurement Guidelines.

To be eligible, Mr. Speaker, bidders were required to submit the following

- Valid Tax Compliance Certificate
- Proof of Registration with the National Contracts Commission
- Proof of Registration with the Trade Board

These eligibility requirements were satisfied by all 3 bidders. In addition a bid bond was submitted by all 3 suppliers. This was intended to ensure that only serious bidders came to the table.

On **October 24 and 26** the bids were evaluated by an Evaluation Committee and representatives from the:

- Jamaica Constabulary Force
- JCF Transport Management and Maintenance Division
- Citizen Security and Justice Programme

The Ministry provided secretarial support to the Evaluation committee.

The bids were evaluated on the following criteria.

- Technical Specifications
- Delivery Period
- Warranty
- Cost
- After Sales Service

The Tender Document indicated that the bidders who attain a minimum of 75 points or more would be considered for the awards of a contract.

On **November 9**, the Evaluation committee made a submission to the Goods Specialist Sector Committee (NCC Sub-committee) for the award of two contacts.

Only O'Briens International Car Sales and Rentals Limited and Tryvisco Enterprise Limited emerged with scores above the overall minimum of 75.

Therefore, the Evaluation Committee in its final deliberation recommended that contracts be awarded to both bidders.

The Evaluation Committee also felt it would not be in the best interest of the Ministry to award all lots to one bidder. [Page 14 of the Tender Evaluation Report]

(Slide 4)

Representatives from the Ministry and the JCF were invited by the NCC – Goods Special Sector Committee on **November 18, 2017** to make a presentation.

On **December 7** the matter was considered by the NCC.

On **December 8** we received a letter from the NCC endorsing the recommendation for the award of contracts to O'Briens International.

Notwithstanding, the recommendation made by the MNS and the members of the Evaluation Committee, including the JCF for two contractors to supply the cars, the NCC after deliberation recommended that the contract for the supply of the 200 cars be awarded to one supplier.

See the letter (on screen). (**Slide 5**)

Please be reminded that the NCC is an Independent Oversight Body and this Ministry will abide by the GOJ Procurement Guidelines.

On **January 6 2017**, a submission was made to Cabinet.

On **January 16** Cabinet granted approval.

On **January 25**, a contract was signed between the Ministry and O'Briens. At that time, O'Briens provided a performance bond and an advance payment guarantee bond as per regulations.

This is to ensure adherence to the contract by the supplier and that the tax dollars of the Jamaican people are always protected. At no time was or will the Jamaican taxpayer be at risk. Any lack of performance will not place the taxpayer at any risk. At no time will the people of Jamaica suffer any financial loss.

In **May** the first shipment of 30 vehicles arrived and was delivered on **June 2 and June 12, 2017**.

On **July 5**, the supplier wrote a letter to the Ministry highlighting the challenges and requested a 90 day extension. Mr. Speaker this is not unusual. The records will show that this is nothing new.

In every Ministry, Government Department and Agency of this beloved country, contracts have been extended. I can name three contracts between 2012 and 2015 where extensions were granted.

In **July**, the first set of 31 vehicles which form the basis of the 66 vehicles that have now accumulated started to arrive.

On **August 25** O'Briens wrote a letter requesting that the GCT and SCT charged on the vehicles be paid. At this point the Ministry said no and informed him to comply with the terms of the contract. However, the Ministry got advice to look at Clause 16.3 of the said contract.

Clause 16.3 of the contract states that:

“If any tax exemptions, reductions, allowances or privileges may be available to the Supplier in the Procuring Entity’s Country, the Procuring Entity shall use its best efforts to enable the Supplier to benefit from any such tax savings to the maximum allowable extent.”

With this in mind, the Ministry did its due diligence in honouring the contract. This was in anticipation of this matter going to court. We wanted to dot every I and cross every T.

However, on **October 27**, the Ministry wrote a letter to the Ministry of Finance and the Public Service requesting that the taxes on the vehicle be waived.

On **November 2** as expected, the Ministry of Finance and the Public Service advised that the request was not supported.

On **November 15**, the Ministry wrote to O'Briens and demanded that the vehicles be delivered no later than November 24, 2017.

On **November 23, 2017** the day before the vehicles were to be delivered by the supplier as demanded by the Ministry, the Parliament summoned the Ministry to appear before the Public Administration and Appropriations Committee (PAAC).

The Ministry then decided to cease all actions pertaining to this contract, pending the appearance before the PAAC. This was to prevent an accusation of the Ministry trying to undermine the Parliament of the Land.

The Ministry appeared on **November 29, 2017**.

On **November 30, 2017** the Ministry wrote to the Solicitor General.

On **December 1, 2017**, the MNS sent a letter calling the performance bond of \$42, 700, 000.00.

From the opening day of this contract, as per the GOJ procurement rules, the OCG has been kept abreast of all activities pertaining to this contract in a timely manner and up until yesterday, the PS had dialogue with the Contractor General.

I have in my possession an exchange of letters between the OCG and the Ministry over the period September 19, 2016 to November 2, 2017 providing updates on the procurement process. (Slide 6)

Let it be known that this Minister will not breach any of the GOJ procurement guidelines.

Mr. Speaker in summary, the policy will continue, the issue surrounding the 66 cars is getting priority attention; the police are more mobile than they were in previous years, the procurement processes will continue to be observed and adhered to and the public of Jamaica will never be at a financial disadvantage as a result of this matter.

Chapter 3 of the Jamaican Constitution, known as the Charter of Rights clearly states that nobody must be discriminated against because of colour, creed, religion or political affiliation.

To hear some people criticise O'Briens because of a perceived association with the JLP despite the fact that the company met all the requirements is against our Constitution. It is just wrong. Is it a crime for a supporter of the JLP to get a Government contract for which they have qualified?

There has been an upsurge in murders since the start of the year; some believe that being a Minister makes you desensitised. A murder is a loss of a loved one for someone.

I am not desensitised.

My family, the community where I live, the church I attend has caused me to hurt every time someone is murdered.

A murder is the removal of a Jamaican. A murder is a loss to a family. A murder is a loss to a community. The pain of every murder must be felt by every Jamaican and that is why we cannot politicize crime.

I believe with every strength of my body, thought of mind that if both major political parties work together we can overcome any challenge that face this nation.

Crime is one such challenge. Crime is costing this country five percent of GDP, approximately 68 billion dollars.

Criminals have organized and networked. Good, decent, law abiding citizens must do the same. Of that I am convinced. Of that philosophy I fervently believe.

It is based on this, that when appointed as Minister I met with the former Minister.

On June 16, 2016, I wrote the General Secretaries of the PNP and the JLP because both political parties have the best network across the island. **(Slide 7)**

The General Secretary of the PNP did not respond until November of 2016, to say due to the pending nomination they were unable to meet but would meet after. That meeting took place with Party Chairman, Robert Pickersgill and the now General Secretary, Julian Robinson in February 2017. **(Slides 8&9)**

Mr. Speaker the General Secretary of the JLP arranged a meeting of all the councillors, caretakers and officers of that party on July 27, 2017

I wrote to the General Secretary of the PNP on the 26th of July, having not heard from them or seeing the meeting convened.

On August 9, I placed a call to the General Secretary who assured me that the meeting would be convened after the party's general conference in September.

To date, I am still awaiting the call. I again make a public appeal to the new President of the PNP, a man who occupied this office and understands; I am asking him humbly and respectfully to use his best efforts to convene the meeting and also to partner with us in the fight against the criminal elements that threaten to derail the prosperity of this country.

I want to assure the country, every citizen that we have invested heavily in the fight against crime.

- We requested and will receive an addition 2.5 billion dollars in budget support.
- We have invested heavily into the intelligence network

- We have expanded the training capacity of the Force
- We are going to be employing three thousand extra police officers to put on the streets
- We are repairing 160 police stations this year
- We are investing in technology, and expanding its use; the Stay Alert App, Jamaica Eye (CCTV), and the QR Code for beat and foot patrol.

Mr. Speaker these are but some of the initiatives we have undertaken. Crime cannot be solved overnight, there is no quick fix, there is no switch. The Jamaican people know this, and they have partnered with us and together we are seeing positives.

Mr. Speaker, it is not all rosy as many persons are today worried about their safety. We know that. We understand that.

Mr. Speaker murders and shootings are up over last year, and these are but two of the seven categories that are used to measure crime. However, break-ins are down 10 percent, aggravated assault is down 11 percent, robbery is down 15 percent, and although rape is up in three divisions, it is down nationally by 15 percent. Larceny is down by 28 percent.

Positive signs Mr. Speaker, and we are just beginning. We have put up one million dollars for each of the country's most wanted fugitives. We ask people to provide information.

We have put up 100-million dollars for information on illegal guns and ammunition. Any citizen having information can call 311, Crime Stop, and they can get up to 150-thousand dollars for the seizure of illegal weapons.

I ask all of us to encourage our people to call Crime Stop or use the Stay Alert App.

For all of 2016, we seized 591 illegal weapons; to date we have seized 820 illegal guns, up 38 per cent.

Last year we seized 7, 876 illegal rounds, to date, we have seized 21,493 rounds; a 272 per cent increase.

We are making progress, but more needs to be done. We know that; we understand that, and that is why I am asking this Honourable House to vote more funds in the fight against crime.

This is not a security forces fight only; this is not a Minister's only fight, this is not a Government fight only, what is required is an all of society response, all of us, every single Jamaican in every single community who is law-abiding must reject criminality in all its elements.

Mr. Speaker we must work together. We must not politicize National Security. This Government is investing in National Security. We must unite as a nation to fight crime, criminal elements and those who offer them comfort so that Jamaica may under God increase in beauty, fellowship and prosperity.