Press Statement

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The Governor of Bermuda is shortly due to depart these shores. This is therefore an appropriate time to review the relationship a Governor should have to Bermuda, in light of how this relationship has been managed in the past.

The first duty of the Governor should be to defend and support Bermuda -- end of story. That duty necessarily extends to the Government, irrespective of the Party in control of the Government or its leader or past leaders. It is not the Governor's job to be swayed by public opinion, the media or cocktail party gossip. His touchstone must be facts; his yardstick must be evidence. Like a good doctor, his watchword should be: First, do no harm.

Sadly, Governor Gozney has failed in this duty. He <u>has</u> done harm. He has harmed the people and the Government of Bermuda. At my request, my legal team has written to the British Foreign Office setting out what we perceive as Governor Gozney's chief sins of omission and commission during his tenure.

Let me be specific. First, I am talking about his failure to take appropriate and necessary action to pursue those involved in a criminal conspiracy to bring down the Government of Bermuda during the time when I was Premier.

You are familiar with how forged cancelled cheques were placed in government files to make it appear that Minister Derrick Burgess and I had received kickbacks from a government contract. We called a press conference then, as I am forced to do now, because there was no other way to clear our names publicly. Those cheques were palpable forgeries; the original payees' names had been whited out and our names put in their place. The purpose was clear; to create a huge corruption scandal and bring down the elected government of the day. As the constitutionally designated defender of Bermuda, Governor Gozney

should have seen to it that the people who sought to perpetrate such a crime would be hunted to the ends of the earth. In Bermuda the Police did not find anyone to prosecute and sent papers to Canada where they believe at least one of the criminals is beyond their reach.

What did "our" Governor – the representative of "our" head of State – do? He called it a "shocking incident" and, like Pontius Pilate, he washed his hands of it. He could have called in Scotland Yard. He could have made direct contact with the Canadian Government to emphasize the seriousness of this conspiracy. If he felt he could not do that in person, he could and should have asked the British Foreign Office to do so for him. Instead, he did precisely nothing.

Secondly, last year the Commissioner of Police (appointed by the Governor) initiated a criminal investigation into supposed "corruption" following unsubstantiated claims by convicted liar David Bolden in which he accused me of having had corrupt dealings with him. Six months later, the Commissioner stated that he had found no evidence to support a criminal prosecution. What did Governor Gozney do to reassure people at home and abroad that Bermuda's reputation was untarnished? Nothing.

Thirdly, as you know, he did the opposite. When the Auditor General (also appointed by the Governor) came out in January of this year with a wholly unjustified attack on the current Government concerning alleged "misuse of public funds", did Governor Gozney pause to investigate the facts and call for evidence? Not for one second. Instead, he issued a press statement to remind Bermudians and the world that he thinks we have criminals in Government and that he is looking for evidence to bring them to justice. Governor Gozney brought up the totally unrelated subject of Bolden, describing Bolden's lying allegations as "clear signs of criminality", and issued a public appeal for people to come forward with criminal evidence against the government. He did nothing to uncover the easy "assignment of interest" remedy available to the Government which would have avoided the unnecessary report. Governor Gozney knew that Cabinet had approved the use of the funds to seek justice for the Government of

Bermuda against the conspirators who had tried to bring down our Government. Perhaps he should have also reminded the public that Cabinet had to act because he failed to act.

When our island's Governor speaks publicly of "criminality" referring to our Government, and our Police Commissioner speaks of "corruption" and our Auditor General speaks of "misuse of public funds", all three are using expressions which damage the reputation of Bermuda at home and abroad. For them to do so without proven evidence of criminality or misfeasance is the height of irresponsibility. The Commissioner and Auditor General, however, are not answerable to the people of Bermuda. Under the Constitution, they answer only to the Governor. Needless to say, the Governor is not answerable to anyone on this island.

In these days of internet technology and international economic uncertainty, these public and unaccountable officials have a special duty to exercise care and caution; to act and speak on hard evidence, and not add credence to unsubstantiated and uncorroborated allegations which hurt our reputation as a leading international financial centre.

It is not my purpose today to enter into the debate on whether a 21st century Bermuda should be subjected to the paternalistic colonial concept of having a Governor at all. For so long as we have one, however, Governor Gozney's responsibility during this period should have been to reassure the international community. He should have been stating for all the world to hear that Bermuda has necessary checks and balances to thwart corruption and ensure good governance. And, unless and until he had incontrovertible evidence that corruption existed or until criminality had been proven, Governor Gozney should not have besmirched Bermuda's international reputation as he has done. He was simply wrong.

At my request, my legal team has written to the British Foreign Office setting out Governor Gozney's chief sins of omission and commission during his tenure and requesting that they take steps: (1) to secure the full cooperation of the Government of Canada in investigating and bringing to justice all those involved in the forgeries of cheques aimed at bringing down the Government; (2) to admonish the Governor for the acts and omissions I have described to you; and (3) to ensure that there is no repetition of such behaviour.