

## Montreal Mafia controls 80 per cent of road contracts, whistleblower says

Radio-Canada hears of widespread corruption in the supposedly sealed bidding process for construction work

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The alleged plans for fixing bids among Montreal construction companies known as the “Fabulous Fourteen” were passed along by telephone, often using a code based on golf.

“We'll start on the fourth hole, we'll be a party of nine,” an instruction would go. The code meant the contractor pretending to set up the game would submit the winning bid, just below \$4.9-million. The losers would submit higher sealed bids and await their turn for green.

“The contractor who was getting the contract would be the one organizing the so-called foursome,” said François Beaudry, a former senior engineer at the Quebec Transport Ministry.

“But it's Montreal's Italian Mafia that controls what is going on in road construction. They control, from what we can tell, 80 per cent of the contracts.”

Mr. Beaudry, who spent years quietly tipping police to the methods of fixing bids, is now a high profile whistleblower.

The retired bureaucrat, along with several construction company owners, told of massive, widespread corruption in the supposedly sealed bidding process on the Radio-Canada investigative program, *Enquête*.

“There is a group that controls contracts on [Montreal] Island, passing them around, one after the other, we call them the Fabulous Fourteen,” said Paul Sauvé, a contractor who says he was threatened into making political contributions for a contract to restore the roof on Montreal City Hall.

Recent allegations of contract corruption have shaken the province, but the program aired Thursday night went further, suggesting most major road contracts in the Montreal region are fixed with prices inflated up to 35 per cent.

Circumstantial evidence supports the allegation. Quebec road construction and maintenance is vastly more expensive than anywhere else in Canada, according to Transport Canada.

One kilometre of road cost 37 per cent more to build in Quebec in 2008 than the average cost for the rest of the country, according to the study. Urban roads cost 46 per cent more to build in Quebec, while rural roads cost 26 per cent more.

The stakes are massive as Quebec continues a five-year, \$42-billion program to rebuild roads, sewers and bridges.

The three main mayoral candidates in Montreal and opposition leaders in Quebec City have all called for a public inquiry into the construction industry. The Liberal government has refused, saying police must first complete criminal investigations.

The Parti Québécois and the Action démocratique du Québec say the government is trying to avoid examination of Liberal ties to the “Fabulous Fourteen.”

Mr. Beaudry first went to police with his allegation of Mafia involvement in a price-fixing scheme six years ago and nothing has been done, said PQ public security critic Bertrand St-Arnaud.

“What is the government afraid of? Is it afraid that certain embarrassing information could be revealed?” he asked. “The government has no choice. The allegations are serious and the entire public tendering system has to be examined, which is something the police cannot do.”

ADQ interim leader Sylvie Roy said an inquiry is necessary “to make sure taxpayer money isn't being hijacked.”

Public Security Jacques Dupuis was unavailable for comment. A spokesperson said the government has no plans for a public inquiry until police complete their investigations.