

MAHATHIR-CONTRACT

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KUALALUMPUR, APRIL 6 (BERNAMA)--THE CONTRACTORS' OF THE KUANTAN PORT HAVE GUARANTEED/THAT THEY WILL UNDERTAKE ANY REPAIRS FOR A PERIOD OF SEVEN YEARS ON COMPLETION OF WORK AT THE PORT, DATUK SERI DR. MAHATHIR MOHAMAD SAID TODAY.

--THE PRIME MINISTER SAID THAT THE GUARANTEE PERIOD WAS THE LONGEST EVER GIVEN TO ANY PROJECT IN THE COUNTRY.

HE DENIED A PRESS REPORT THAT THE KUANTAN PORT HAD TO COME OUT WITH AN EXTRA \$11 MILLION BECAUSE THERE WAS A DELAY IN ITS COMPLETION.

DATUK SERI DR. MAHATHIR SAID THE KUANTAN PORT PROJECT WAS COMPLETED ONE MONTH AHEAD OF SCHEDULE AND THE COST INCURRED WAS EXACTLY AS THAT STATED IN THE CONTRACT.

+HOWEVER, WHILE WORK WAS UNDERWAY, IT WAS FELT THAT THERE WAS A NEED FOR CERTAIN ADDITIONAL FACILITIES AND THE GOVERNMENT HAD TO MAKE EXTRA PAYMENTS, + HE SAID.--MORE

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MAHATHIR-CONTRACT 2 KUALA LUMPUR

"ON THE LOOK EAST POLICY, THE PRIME MINISTER SAID THAT CERTAIN CONTRACTS HAD TO BE GIVEN TO THE JAPANESE AND SOUTH KOREANS BECAUSE THE MALAYSIANS HAD STILL NOT REACHED A STAGE TO UNDERTAKE SUCH PROJECTS.

+IF WE DID NOT GIVE THE CONTRACTS TO THE JAPANESE OR THE SOUTH KOREANS, THEN THEY HAD TO BE GIVEN TO THE AUSTRALIANS, GERMANS OR THOSE FROM OTHER COUNTRIES, HE SAID.

DATUK SERI DR. MAHATHIR SAID THAT THERE WERE LOCAL CONTRACTORS WHO FAILED TO GET PROJECTS BECAUSE THEY QUOTED VERY HIGH PRICES IN THEIR TENDERS,

+THERE WERE SOME WHO QUOTED LOW PRICES IN THEIR TENDERS BUT WHEN WE AWARDED THEM THE PROJECTS, THEY CAME BACK AND ASKED FOR ADDITIONAL MONEY PURPORTEDLY TO COPE WITH PRICE ESCALATION COSTS.

+IN THE FINAL ANALYSIS, WE HAVE TO PAY MORE THAN THE COSTS AGREED UPON IN THE CONTRACT AND EVEN THE TIME TAKEN TO COMPLETE THE PROJECTS WAS LONGER, + HE SAID.

+I CAN SHOW THE NUMBER OF BUILDINGS IN KUALA LUMPUR WHICH HAVE NOT BEEN COMPLETED DURING A CERTAIN PERIOD OF TIME AS STATED IN THE CONTRACT AND THOSE WHICH HAD TO BE COMPLETED AT VERY HIGH COSTS, + HE ADDED.--BERNAMA 2152/HM