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Samy-Contractors

ERRANT CONTRACTORS TO FACE LEGAL ACTION

SEPANG, April 27 (Bernama) -- Works Minister Datuk Seri S.Samy Vellu said today that his ministry may take legal action against contractors who absconded after having received advance payments for government projects.

He said the Public Works Department (PWD) which was directed to check if there were such errant contractors in its list would submit its report to him next week.

"If there are such contractors in the list, we will take the necessary action, including the possibility of taking them to court," Samy Vellu, who is MIC president told reporters after opening the Women Leadership Seminar organised by the Selangor Wanita MIC here.

He was commenting on Prime Minister Datuk Seri Dr Mahathir Mohamad's statement yesterday that the government will probe the matter and will take stern action against the contractors.

Entrepreneur Development Minister Datuk Mustapa Mohamad was quoted as saying recently that the government had been cheated of RM12 million by certain individuals who disappeared after receiving the 15 per cent downpayment for projects worth RM80 million.

Asked if action would also be taken against government officials for failing to check the background of the contractors before releasing the advance payments, Samy Vellu said: "This we have to investigate...I can't comment on it yet."

Samy Vellu said his ministry would not ask the Finance Ministry to review the payment of downpayments as it would affect genuine contractors, especially among the Bumiputeras.

"Just because there were one or two cases of betrayals (dishonest contractors) we should not do away with the advance payment because there are hundreds of Bumiputera contractors who have worked hard and showed promise of success," he said.

Samy Vellu also said that it was up to the Entrepreneur Development Ministry to decide whether or not to publicise the names of the contractors who had cheated the government. -- BERNAMA

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