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Dr M censures errant contractors

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KUALA LUMPUR, Tues. - Prime Minister Datuk Seri Dr Mahathir Mohamad today ticked off contractors who failed to complete their projects on schedule, especially public facilities like schools.

He said these contractors, although having signed agreements with the Government, sometimes failed to deliver on time and this caused a lot of problems to the people.

"The Government finds it difficult to terminate their contracts because this can only be done after a lengthy legal process.

"Sometimes, they take too much time to complete their projects. For example, there are school buildings which are not ready although school has reopened.

"We don't want such things to happen," Dr Mahathir said after visiting the RM2 billion Mines Resort City in Sungei Besi.

He said if these contractors had agreed to complete certain projects but fail to do so, it causes a lot of problems.

"Although they cannot deliver, they will continue to demand all sorts of things which force us to take the matter to court. This takes a lot of time and it has an adverse effect on the projects and causes a lot of delay," he said.

Dr Mahathir said the Government was seriously concerned over delays in the completion of public projects particularly schools.

The Prime Minister said this when asked to comment on news reports on the delay in the completion of school projects in several States causing problems to pupils and school authorities when the first term began this week.

About 800 pupils were stranded on the first day of school on Sunday when a RM2.9 million secondary school in Chalok, Setiu, was not completed on time.

The pupils, mostly from rural areas in the district, had been placed in two other schools nearby pending the completion of Sekolah Menengah Chalok.

The school was supposed to be completed by Dec 16.

Two other school projects in the State had also been delayed. They are Sekolah Menengah Jerangau and Sekolah Kebangsaan Lubuk Kawah, Jertih.

Dr Mahathir said to overcome such a problem, contractors should adopt an integrated approach when constructing buildings to ensure that they could be built fast without having to compromise on quality.

"Even if it is built within a short period, the quality can be good but we have to do it cautiously. But management is important because there is a lot of work involved in constructing buildings. These works must be integrated.

Dr Mahathir said if the integrated approach was not taken, buildings could not be built within a short period.

"But the fact remains that in the past, we even took eight years to construct a building which is not very tall," he said referring to the Bank Bumiputra Berhad headquarters in Jalan Melaka.

"Now, within three years, such buildings can be completed."

He said local contractors particularly Bumiputeras should learn good management methods as this would ensure that projects were completed speedily.

"When the projects are completed quickly, the contractors will get the

returns on their investment also quickly and if it takes a long time to complete, they will still have to service their bank loans without getting any returns from their projects," he said.

In this context, Dr Mahathir praised Country Heights Group of Companies and its group managing director Datuk Lee Kim Yew for having built the resort within a year.

"In the case of the Mines Resort City, seven projects were undertaken simultaneously and within a year they are almost ready. As far as I know, there are safety elements.

"This project has a lot of unique features which can attract tourists and clients."

He said one of the projects within the city was the Palace of the Golden Horses, the country's first theme and resort hotel, where the Government could hold some of its international meetings.

Strategically located at Sungai Besi, the entire development covers over five million sq ft.

With the tag "Seven Wonders of the World", the Mines Resort City is a new concept that totally integrates resort, business, conference, residential and entertainment facilities in a single project.

Meanwhile, the contractor blamed for the late completion of Sekolah Menengah Chalok (SMC), Setiu, is building the Sungai Tong health centre which is also facing delays.

The Terengganu-based contractor, Raza Trading, was awarded the RM2.2 million health centre project in July 1995, which is scheduled for completion in October.

State Infrastructure and Public Utilities Development committee chairman Tengku Putera Tengku Awang said by November last year work should have been 41 per cent complete based on the construction schedule.

"However, I have been informed that only 25 per cent is ready and the State Health Department is concerned over the impact of the delay," he said at his office at Wisma Darul Iman.

He also could not say why the contractor was awarded the health centre project although it was already facing problems with the SMC construction.

Meanwhile, PWD director Tan Boo Dik when met said it was up to the tender board to award two projects simultaneously to Raza Trading based on specified criteria.

However, he could not say if the decision was made by the Federal or State tender boards as it was made before his appointment.

He said under normal circumstances a company which was completing a project could be given another project if the board was satisfied with its performance.

"In this case, the company was awarded the health centre contract before the SMC project was classified as an 'ill project'," Tan said.

Raza Trading was awarded the SMC project which commenced construction on Feb 15, 1993 and was scheduled to be completed in June 1995.

However, due to certain technical problems, the PWD extended completion date to Nov 1995. The project was further delayed by one year after granite rocks were discovered at the site.

Following that the contractor was given until September last year to complete construction including a three-month extension given to finish work not specified in the contract such as covered walkways.

However, up to the deadline, only 85 to 88 per cent of the work had been completed.

Meanwhile, the Registrar of Business office's records show Raza Trading as a sole proprietor entity owned by Razali Majid of No 423, Kampung Losong Lebai Haji Salleh, Kuala Terengganu, who is also the company's manager.

It was registered on April 7, 1991 and is licensed to deal in retailing of general construction, agriculture, construction materials, marine produce, breeding, fruits, vegetables, furniture, building cleaning services, and act as a transport charter agent.

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