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Cabinet terminates services (HL)

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KUALA LUMPUR, Wed. - The Government today terminated the services of the contractor and consultant at the centre of the school computer laboratory fiasco as both are to be "completely blamed" for the delays and shoddy workmanship.

Education Minister Tan Sri Musa Mohamad, at a Press conference held to clear the issue "once and for all", maintained that the ministry was totally blameless and that the contractor, Bell Grand Sdn Bhd, and project management consultant, QSC Projects Sdn Bhd, were completely at fault.

Today, Datuk Seri Dr Mahathir Mohamad, at the opening the 24th annual general meeting of the Malay Contractors Association, said he was disappointed and saddened by the problem that had risen after the projects were given to Bumiputera contractors.

The Prime Minister said the Government's aim in apportioning contracts to Bumiputera contractors was to help as many big and small Malay contractors as possible.

Unfortunately, some contracts changed hands several times, causing their value to drop and forcing the last person to receive the contract to use all kinds of methods to save costs, which in turn led to low quality building materials being used.

"I am sorry if we can no longer give contracts to people who cannot do the job. We have a responsibility for government funds and wish to help Bumiputeras. But if Bumiputeras do this, it will be difficult for us to help," he said.

Dr Mahathir said he did not blame anyone at all as all parties were responsible, including the Government and he himself for trying to meet the requests of Malay contractors.

The issue came to light when Works Minister Datuk Seri S. Samy Vellu disclosed that Public Works Department engineers had found that 574 of the 600 computer laboratories built in the East Coast under the school computerisation programme were not safe and were in danger of collapse.

The Cabinet today decided to terminate the services of both companies with immediate effect, Musa said.

Repairs of "problematic laboratories" are to be taken over by the PWD. The department must forward its proposal on the repair works within a month.

"It has also been decided to refer both companies to their respective professional bodies for their ineptitude," he said.

He furnished reporters with extensive details of project completion dates, the parties in charge, and work progress.

QSC Projects, appointed by the Finance Ministry, acted as a Government representative to manage and monitor the project, and to report on progress to the Education Ministry every two weeks.

Asked why the ministry should not be blamed, Musa used an analogy and said it (the ministry) was merely a "house owner".

"If a house is defective or delayed, do you take action against the owner? Of course not. You take action against the contractor and consultant. The owner should, in fact, be given compensation."

Musa said the Cabinet decision was made based on recommendations by a committee comprising himself, Second Finance Minister Datuk Dr Jamaludin Jarjis and Works Minister Datuk Seri S. Samy Vellu.

"The existing allocation is enough for repair work but more money may be

pumped in later," he said.

Up to last month, RM507 million had been spent on the troubled Phase One of the project, which used the "design and build" method.

Musa said six contractors were responsible for delivering the project. All, except Bell Grand (which had been responsible for the eastern zone) had performed rather well, although all had had to pay fines or liquidated and ascertained damages for delays in delivering their projects.

Musa said even though all contractors had delayed delivery, there was no need to review the selection process.

"On paper, they all looked impressive. That was why they were selected. When we found out later that they were not completely up to the mark, what were we supposed to do? Jump in the lake?," he asked.

According to Musa, the termination of Bell Grand's contract means the ministry would be taking over the contractor's responsibility for supplying furniture and computers to the school laboratories.

He said Bell Grand had built 467 laboratories and handed over 357. "The ministry took out 33 laboratories from the contract because of problems with the site. Bell Grand had also been fined RM6.2 million for delays."

Musa said the roof of a Bell Grand laboratory at Sekolah Kebangsaan Rentam in Bera, Pahang had collapsed, and the PWD found 92 laboratories in the State to be unsafe and in a dangerous condition.

"Bell Grand had been directed to repair the roofs of 115 laboratories by Aug 3, and another 262 by Sept 3.

"Until today, only the roofs of 12 laboratories have been repaired. It cannot possibly repair the rest on time, and that is also a reason why we are terminating its contract."

Musa said the project management consultant had been asked to assist the PWD in the repair works.

"The PWD must also use sub-contractors appointed by Bell Grand to undertake repairs. The sub-contractors must be given a chance, because not all of them are inept," he said.

Musa said the PWD had also been directed to check all laboratories built under Phase One of the project as "we do not want students looking up every day wondering whether the roof would cave in".

Phases Two and Three of the project were running smoothly, Musa said, adding: "The PWD is completely responsible for Phase Three."

Musa said Bell Grand was free to appeal the Government's decision.

On Deputy Education Minister Datuk Abdul Aziz Shamsuddin's allegations of "irregularities" in awarding contracts, Musa said: "It is best you ask him whether he still thinks so now."

Musa hoped that with the explanation today, the issue would be closed.

"We have tackled this in the most judicious way possible. I was personally involved, and we hope the matter is now closed and resolved."