

# Govt raises bar for bumi contractors

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**KOTA BARU:** The Government has raised the bar for bumiputra contractors to be placed in the various classes following public outcry over shoddy workmanship and leakages in public buildings.

Entrepreneur and Cooperative Development Minister Datuk Seri Mohamed Khaled Nordin said the Government had no choice but to raise the standard because there was a need for quality and to ensure that bumiputra contractors compete in a globalised age.

"Quality control must now be an essential component among all classes of bumiputra contractors.

"It is not a reactive move to the spate of leakages. It is part of our emphasis on constantly moving up the value chain. Our contractors must improve or risk being left behind by competition," Mohamed Khaled said after opening a seminar on Industrial Building System (IBS) for contractors in East Coast states.

The minister said that among the new conditions to be imposed pending approval of licences was scrutiny of the applicants' financial status, experience and qualifications.

To instil accountability, contractors must also undertake tenders allocated instead of sub-contracting it to third parties, who indirectly raise project costs, he added.

He said IBS ensured a systematic and quality-based maintenance and by 2010 the ministry wanted every state to have 100 bumiputra contractors who were skilled in installing IBS at various projects.

He said that the freeze on Class F contractors would remain as projects were limited.

Earlier, Mohamed Khaled said the concept of Class F contractors was a form of protectionism, which would eventually be overrun by the onslaught of competition brought on by globalisation.

"Bumiputra contractors must prepare for such eventualities," he said.