

Malay contractors urged to go global

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PUTRAJAYA: The construction industry is being monitored with a view to fine-tuning it.

Prime Minister Datuk Seri Abdullah Ahmad Badawi said weaknesses would be rectified and leaks plugged so that no one would be burdened by the shortcomings.

"The government is observing the problems in the sector and we want to overcome them quickly for the good of the industry and for the people who stand to benefit from these projects.

"The government doesn't want to be burdened by delayed or abandoned projects, which become liabilities for us," Abdullah said when opening the Malay Contractors' Association (PKMM) 27th annual general meeting yesterday.

He said the government was on the losing end every time a project was abandoned or delayed, as more money had to be forked out to revive it.

"We could be spending the money on other new projects," he added.

Delayed or abandoned projects also made the public angry as they were a waste of funds, and spoil the reputation of the contractors.

"You should strive to be contractors who are respected," Abdullah told the gathering of about 200 contractors. Each state is represented by 14 contractors.

Earning respect meant completing projects quickly, paying sub-contractors on time, minimising wastage and ensuring work was of high quality.

"When work is completed quickly, I believe approval from the Public Works Department (PWD) will also be given quickly.

"And when you finish a project quickly, you will be able to get another contract quickly."

He said payments down the line, from the government's coffers, until the last sub-contractor, should be made promptly or projects would be delayed.

He said a few cases were enough to tarnish the image of Malay contractors and cause others to lose confidence in them.

Abdullah also urged contractors to consider merging to become stronger entities with the capacity to take on bigger projects.

"In today's world, if you don't have such a capacity, you can't compete. Surely you want to compete with global companies and not just remain in Malaysia."

He cited the example of plantation companies Golden Hope, Guthrie and Sime Darby, which are currently en route to a merger.

"Even giants like them want to merge to increase their capacity and become more competitive.

"In construction, we already have big companies winning tenders in overseas projects."

Abdullah also said the PWD had been asked to make available a list of building design consultants for contractors who lacked professional in-house design planning resources.