Govt to blacklist errant contractors

THE Government has warned that it will blacklist bumiputra contractors who sell their contracts and do not manage them actively.

The irresponsible action of the contractors has jeopardised the Government's effort to create a bumiputra commercial and industrial community.

The Government will be more cautious in awarding contracts to those who are committed, responsible, have proper organisation, adequate capital and strive hard to become successful entrepreneurs in the construction industry.

The Government has decided to increase the contract value of each class of contractors, which had not been reviewed since the 1970s, to provide opportunities to bumiputra contractors to secure larger contracts.

The project value for Class A contractors will be increased to RM15mil or more, Class B to between RM15mil and RM5mil, Class C RM5mil and RM2 mil, Class D RM2mil and RM500,000, Class E RM500,000 and RM200,000 and Class F RM200,000 or less.

The Government hopes that bumiputra contractors would enhance their entrepreneurship and technical capacity to take advantage of the higher rates and to ensure higher quality of work.

The implementation of rural infrastructure projects, including construction of village roads and bridges, repairs of buildings such as surau, community hall and basic facilities will provide more opportunities for Class F bumiputra contractors.

A sum of RM963mil has been allocated this year and will be distributed equitably with priority given to poorer states and those with large interior areas.

The Government launched the Bumiputra Entrepreneur Project (Prosper) in 2000 to increase the number of bumiputras in the retail sector, with RM15mil worth of projects involving 158 companies.