

\$4m airport contract blunder

The Government has had to raise an extra \$4 million because a contract was signed for the resurfacing and grooving of the Kai Tak airport runway although there was "clearly insufficient" time to complete the work within the set deadline.

This is the conclusion of the Legislative Council's Public Accounts Committee, which describes itself as "deeply disturbed" by the signing of the \$40.5 million contract.

The PAC was commenting on a report by the acting Director of Audit, Mr Norman Stalker.

Mr Stalker said the contractor, with a completion date of eight months, had barely begun work on the

runway site when he was ordered to suspend it from February to October last year.

This was because the resurfacing programmes proposed by the Public Works Department were not acceptable to the Director of Aviation from an aviation safety viewpoint.

Mr Stalker laid the blame on the apparent "lack of adequate communication" between the Civil Aviation Department and the PWD.

His findings showed, he said, that planning for the project began in early 1979.

And from the start it was known that the work had to be completed during the dry season to meet air safety requirements.

But following delays it became clear that only part of the runway could be surfaced and grooved by the end of May last year.

Work on the remaining sections was to continue during the wet season.

Said Mr Stalker: "The Development and Airports Division was under the impression that this was acceptable to the Civil Aviation Department and entered into the contract accordingly."

This should have been corrected by early November 1980, two weeks before the contract was signed, when the Director of Aviation asked the chief engineer, Development and Airport Division, in "unequivocal terms," if the work would be finished before

the end of May as planned.

But no reply to his query was given until after the contract was signed, said Mr Stalker.

The total extra cost to the Government of the contract suspension was at the time \$10 to \$12 million.

But this has been reduced to about \$4 million following "continual negotiations" between the Government and the contractor, Mr Stalker said.

Commenting on these findings, the PAC report says: "We also feel errors of professional judgment were made with regard to the work that could be achieved in the time available and there was a lack of initiative at the working level in the PWD."