

Title: Determination of contract by contractor

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Year: July 2006

Master / Phd: Master of Science (Construction Contract Management)

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Abstract:

The complexity of today's construction projects brings together various skills and conditions. In the atmosphere of complexity and uncertainty, some construction projects do not run as smoothly as planned and, hence, exposes the client and the building contractor to many problems which may drive them into disputes, breach of contract and also possibility of discharge or termination of the contract. There are reasons on the part of contractors to determine their employment cause by the employer. In the PWD 203A Standard Form of Contract, there is no provision for the contractor to determine the contract unlike other forms in Malaysia such as PAM 98 and CIDB 2000 Edition. Thus, the objective of this research to identify circumstances that may allow the contractor to determine the contract. Under common law and Section 40 of the Contracts Act 1950, when a party to a contract refuses to perform or disables himself from performing his promise in its entirety, the innocent party may put an end to the contract. The methodology used to achieve this objective is by reviewing the basic principles of termination of contract under the English common law as well as under Section 40 of the Contract Acts 1950. After analyzing the law and the related cases, the circumstances that give reasons for the contractor to determine the contract are failure to give site possession, non-payment of the sums due, withholding certificate, hindrance of the contractor and also the variations.