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PARLIAMENTARY DEBATES

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*Monday, 18th April, 2005*

*The House met at 1.30 pm*

**PRESENT:**

Mr SPEAKER (Mr Abdullah Tarmugi (East Coast)).

Mr Ahmad Khalis Bin Abdul Ghani (Hong Kah).

Dr Ahmad Mohd Magad (Pasir Ris-Punggol).

Mr Ang Mong Seng (Hong Kah).

Mr Alexander Chan Meng Wah (Nominated Member).

Mr Chan Soo Sen (Joo Chiat), Minister of State, Ministry of Education.

Dr John Chen Seow Phun (Hong Kah).

Mr Chew Heng Ching (East Coast), Deputy Speaker.

The Ministry of Education is also increasing its teacher resources to allow MSP to be provided in more schools and centres, where there is a critical mass of interested students.

Many of our schools are also offering conversational Malay lessons to their students. MOE is encouraging more schools to do so, and is looking into how they can be supported.

**Mr Chiam See Tong:** Sir, the Minister says that the Ministry is extending the number of students beyond the 30% mark of cohort. So, how many percent, please?

**Mr Chan Soo Sen:** Sir, what I was saying was that in the past, only the top 30% within the PSLE cohort could offer MSP. But we have relaxed the criteria so that any student, so long as they are interested and have the inclination, will be able to do so. This is to allow more students to learn Malay as a third language, in addition to English as well as their Mother Tongue.

Column No : 47

## **GOVERNMENT ELECTRONIC BUSINESS (GEBIZ)**

22. **Prof. Ivan Png Paak Liang** asked the Prime Minister and Minister for Finance whether his Ministry will require all Public-Private Partnership providers, Government-owned corporatised entities, and Temasek-linked companies to use GeBIZ in their procurement, so as to enhance Singapore's reputation for business transparency and maximise opportunities for our small and medium enterprises to market their goods and services.

**Prof. Ivan Png Paak Liang (Nominated Member):** Sir, let me disclose that I am a director and investor in various SMEs.

**The Second Minister for Finance (Mr Raymond Lim Siang Keat) (for the Prime**

**Minister and Minister for Finance):** Mr Speaker, Sir, GeBIZ is Government's electronic procurement portal through which public agencies procure their goods and services.

Public sector agencies do not dictate how their suppliers should in turn procure their own goods and services. This applies to all suppliers, including Public-Private Partnership (PPP) service providers. After the public sector agency selects its PPP provider, how the provider in turn procures, from whom, and at what terms, is a commercial decision to be made by the provider itself. It would not be appropriate for the Government to intervene in the commercial relationship between our suppliers and their own suppliers. The Government would already have taken its value-for-money decision when it chooses the successful bid above all the competing bids.

Government-owned corporatised entities and Temasek-linked companies (TLCs) are not public sector agencies. Like other private sector entities, they decide how best to procure their goods and services according to their commercial terms. It would not be appropriate to require them to procure through GeBIZ.

**Prof. Ivan Png Paak Liang:** Mr Speaker, Sir, my biggest nightmare is that, one day, the Government will have one big tender and one company will get the one big tender and all the rest in the SMEs will never get any opportunities. Because that one big company will of course give all its business to its subsidiaries and friends, and GeBIZ, which is now populated every day by hundreds or thousands of new tender projects, would disappear.

**Mr Raymond Lim Siang Keat:** What was the Member's question?

**Prof. Ivan Png Paak Liang:** The question is: could we study having a working group to keep these opportunities open to our SMEs?

**Mr Raymond Lim Siang Keat:** We are in sympathy to ensure that our SMEs have opportunities. But I am not sure that the way he suggests is the right way to go. Because the fundamental question he has to ask himself is whether the Government should mandate how commercial entities that have secured a Government contract or a corporatised entity that has substantial Government ownership procure their supplies. This is really a business decision that we should leave to them. You take an SME, for instance. An SME, if we use his argument, goes through GeBIZ and secures a Government contract. Should we, in turn, ask the SME now that, in order to fulfil the contract, it can only decide its subcontractors through the GeBIZ? I do not think that is the way to go. The way we should try to help the SMEs is to upgrade their capabilities, marketing skills and competence so that their goods and services are more attractive in the marketplace rather than to take a prescriptive approach.

**Prof. Ivan Png Paak Liang:** Sir, how about making this requirement that it should be above a certain size of contract? This would be similar to, say, requirements for compliance with quality standards, or environmental standards. Here, we just require compliance with procurement standards. Other countries do it. US has a small business set aside. I am not asking for it to be set aside. I am just asking that we keep those opportunities so that SMEs can compete on a basis of what they can do, and not who they know.

**Mr Raymond Lim Siang Keat:** As I said, the fundamental thing is whether we want to interfere once we have awarded a Government contract to an SME and, in turn, when an SME wants to subcontract it out, whether we want to interfere in that particular decision. I am not in favour of that. In terms of expanding opportunities, there are various ways that we have done so, and we will continue to explore new ways to try to help SMEs expand their market opportunities. I think that is the preferred approach rather than to handcuff one party in order to benefit the other.

Column No : 50

## **CLUB MEMBERSHIPS**

### **(Regulation on sale)**

**23. Prof. Ivan Png Paak Liang** asked the Senior Minister whether his Ministry will take steps to regulate the sale of club memberships, as is done in Australia and Malaysia, so that sellers provide buyers with full information about the number of memberships,

transfer fees, facilities, proprietor's financial resources and commitments, and other factors that will affect the value of such memberships and the ability of buyers to re-sell their memberships.

**The Minister for Education (Mr Tharman Shanmugaratnam) (for the Senior Minister):** Mr Speaker, Sir, **Prof. Ivan Png** asks if we will regulate sale of club memberships to require fuller disclosure of information.

There are two types of clubs - members' clubs and proprietors' clubs. For members' clubs, which are typically registered under the Societies Act, there is less scope or likelihood of fraud from the sale of memberships, as all the proceeds are collectively owned by the members themselves.

But I think **Prof. Png** was referring to proprietary clubs, as he referred to disclosure of information on the proprietor's financial resources and commitments. The Consumer Protection (Fair Trading) Act ("CPFTA") which was introduced last year specifically covers the sale of memberships in such clubs. It prohibits the making of false claims, or misleading consumers through the omission of information and other unfair practices. Consumers may seek compensation from the club of up to \$20,000 if the club is found to have contravened the Consumer Protection (Fair Trading) Act.

MAS does not intend to require that the offer of club memberships be regulated under the Securities and Futures Act ("SFA") and Financial Advisers Act ("FAA"). The disclosure requirements that are imposed under these Acts are intended for financial products. Strict disclosure requirements are placed on the sale of financial products so as to improve market efficiency and promote investor confidence in the financial markets.

Some people do purchase social club memberships for investment reasons. However, the main reason that most people purchase club memberships is to enjoy the facilities and

services offered by the clubs. Regulation of the sale of club memberships under SFA or FAA would impose unnecessary additional costs on the sellers and, indirectly, on the buyers. Given that there are already safeguards under general law, the cost of additional regulation under SFA or FAA would not be justified.

However, clubs may choose to structure themselves as companies and offer shares with membership privileges. Such share offers would be subject to prospectus requirements under SFA. Clubs are free to offer memberships in this way if they see a competitive advantage in subjecting themselves to higher and legally-binding disclosure requirements.

**Prof. Ivan Png Paak Liang:** Sir, I believe that a good and vibrant club sector will contribute to the growth of our leisure industry, which we are trying to develop and is a subject for further discussion today. Would the Minister not consider how to build up this good regulatory environment for clubs as part of the bigger leisure industry sector? How about considering forming a working group to look at this in a more serious way? In the last few years, practically no clubs had been formed. Some would say that, in part, it was because of the weak regulatory regime.

**Mr Tharman Shanmugaratnam:** That is a developmental question - whether we should find ways to encourage more clubs to be formed. Intuitively, I think it is a good idea. But as to whether it is lax regulation, or lack of confidence on the part of consumers and investors, that is inhibiting the growth of clubs, I am not so sure. I think the landscape we have is a fairly clear one. For the average consumers, we now have the CPFTA which provides reasonable protection and compensation. For the informed and larger investors, there is recourse through the law; there is recourse under common law and contract law which in fact has been used in the recent past. So I think we do not want to over-regulate. There are one or two other countries which actually put it under the securities regulator, and I am not sure that is the right move for us. Let us put the onus on the part of the larger investor to get more information if he needs it, and otherwise live with the *caveat emptor* regime, a little messy, but I think it works reasonably well, and the courts are always there to provide recourse.

**Prof. Ivan Png Paak Liang:** Would the Minister support forming a working group to look into this further to see what the benefits would be of such regulation vis-a-vis the cost?

**Mr Tharman Shanmugaratnam:** I see no reason not to review the matter. I think MAS, MTI and the Ministry of Home Affairs can discuss this. I do not think it is a burning issue. But I see no reason not to review the matter.

Column No : 53

## **ORDER OF BUSINESS**

### **(Motion)**

2.56 pm

Resolved,

That, in accordance with Standing Order 10(2), the Ministerial Statement by the Prime Minister and Minister for Finance be taken after the Introduction of Government Bills listed in the Order Paper for today. - [Mr Mah Bow Tan].

## **BILLS INTRODUCED**

Column No : 53

### **STATUTES (MISCELLANEOUS AMENDMENTS AND REPEAL) BILL**

“to amend certain statutes of the Republic of Singapore and to repeal the Government Hospitals Act (Chapter 119 of the 1985 Revised Edition)”, presented by the Deputy Prime Minister and Minister for Law (Prof. S Jayakumar); read the First time; to be read a Second time on the next available sitting of Parliament, and to be printed.

Column No : 53

### **PARLIAMENTARY ELECTIONS (AMENDMENT) BILL**

**1. Prof. Ivan Png Paak Liang** asked the Prime Minister and Minister for Finance whether he will review all Chinese district and street names so that the names are intuitive and consistent in the Chinese translation, for instance (i) changing "邓波街" (*deng bo jie*) to "庙街" (*miao jie*) for "Temple Street"; "里巴巴利" (*li ba ba li*) to "河谷" (*he gu*) for "River Valley"; and "马林百列" (*ma lin bai lie*) to "海旁" (*hai pang*) for "Marine Parade"; (ii) deciding whether "Bukit" should be translated to "山" (*shan*) as in "红山" (*hong shan*) or "武吉" (*wu ji*) as in "武吉巴督" (*wu ji ba du*); and (iii) reconsidering whether "Jalan" should be translated as "路" (*lu*) rather than "惹兰" (*re lan*).

### **Mr Lee Hsien Loong:**

The naming of streets and places is under the purview of the Street and Building Names Board (SBNB), chaired by Mr Chan Soo Sen, Minister of State for Education.

The Chinese names for some streets and roads are based on the English pronunciation rather than the meaning of the words. This is to recognise the popular and actual usage of the street names. These names were used naturally by people regardless of their spoken language. The translation of "Marine Parade" to "马林百列" and "River Valley" to "里巴巴利" are two such examples.

The existing Chinese street names should generally be retained. Many of the names, including those that the Member had cited, have been in use for a long time and are now widely accepted and familiar to Singaporeans. To change the Chinese names now would confuse the public.

The translation of street names in Chinese is guided by the Report of the Committee on the Standardisation of Street Names in Chinese which was released in 1970. Following a review of all the existing street names in Chinese, the Committee set out these general principles:

- To provide more readable street names in Chinese.
- For the purpose of transliteration, Mandarin pronunciation should generally be taken



as the basis.

- Wherever possible, the characters chosen should bear the same or similar pronunciations in all the major Chinese dialects spoken in Singapore.
- Care should be taken in the choice of Chinese characters to avoid such homonyms that if pronounced in Chinese dialects, might carry undesirable connotations or lend themselves to such interpretations.
- As far as possible, transliterations should not only be a faithful rendering by sound but should also be elegant and meaningful.
- Unstressed consonants may be omitted in the Chinese renditions so as to reduce the rendering to the minimum number of words.
- Where a street name should be transliterated, the descriptive terms could be translated (for example, Bedok North is "勿洛北").

The Committee also provided a list of the standardised names to ensure consistency in the Chinese translation. For instance, "street" should be translated to "街" and "hill" should be "山".

**Column No : 111**

## **WEBCASTING OF PARLIAMENTARY PROCEEDINGS**

2. **Assoc. Prof. Ong Soh Khim** asked the Minister for Home Affairs and Leader of the House if live webcasting of parliamentary proceedings and video-on-demand of video recordings of previous parliamentary sittings can be provided on Parliament's website.

**Mr Wong Kan Seng:**

The need for webcasting of parliamentary proceedings to members of the public was discussed in the House previously. In 1992, there was a live telecast of the Budget debate