

**Volume 80
No. 14**



**Monday
21st November, 2005**

PARLIAMENTARY DEBATES SINGAPORE OFFICIAL REPORT CONTENTS

Permission to Members to be Absent (Cols. 1772-1775)

Assents to Bills Passed (Col. 1775)

Oral Answers to Questions (Cols. 1776-1821)

- 1. Avian flu (Cols. 1776-1781)
(Vaccination for young children and old people)**
- 2. Avian flu (Cols. 1781-1782)
(Monitoring of migratory birds)**
- 3. Avian flu (Cols. 1782-1783)
(Review of wildlife trade laws)**
- 4. CPF loan for HDB flats (Cols. 1783-1786)**
- 5. Ministerial Committee on Low Wage Workers (Cols. 1786-1788)
(Solutions to resolve problems of low-income workers)**
- 6. ComCare Fund (Cols. 1788-1792)
(Usage and programmes)**
- 7. Donations to local charity bodies (Cols. 1792-1794)**

Oral Answers to Questions (cont.)

- 8. & 9. Electronic Road Pricing (Cols. 1794-1798)**
(Orchard Road and Central Expressway)
- 10. Rescue and resource centre (Cols. 1799-1800)**
- 11. Salaries of top employees in statutory boards (Cols. 1800-1801)**
(Disclosure)
- 12. National Research and Development Survey 2004 (Cols. 1801-1802)**
(Singaporean researchers and postgraduate students)
- 13. National Research and Development Survey 2004 (Cols. 1802-1803)**
(Expenditure on research areas)
- 14. Biomedical consortiums (Cols. 1803-1805)**
(Milestones and achievements)
- 15. Dengue death case and infectious disease data (Cols. 1805-1807)**
- 16. Subscription of satellite television (Cols. 1807-1812)**
(Regulations)
- 17. Singapore as main port of call (Cols. 1812-1813)**
(Competition)
- 18. Singapore as maritime centre (Cols. 1813-1816)**
(Support of shipping community)
- 19. Air services between Malaysia and Singapore (Cols. 1816-1820)**
(Liberalisation)
- 20. Power Seraya generators (Cols. 1820-1821)**
(Switch to Orimulsion)

Visit of Delegation from the European Parliament led by Mr Hartmut Nassauer
(Col. 1813)

(Presence in Gallery)

Payment Systems (Oversight) Bill (Cols. 1821-1822)

Presented, and read the First time

Misuse of Drugs (Amendment) Bill (Col. 1822)

Presented, and read the First time

Intoxicating Substances (Amendment) Bill (Col. 1822)

Presented, and read the First time

Road Traffic (Amendment) Bill (Col. 1822)

Presented, and read the First time

Endangered Species (Import and Export) Bill (Cols. 1822-1823)

Presented, and read the First time

Singapore Armed Forces (Amendment) Bill (Col. 1823)

Presented, and read the First time

Competition (Amendment) Bill (Cols. 1823-1827)

Read a Second time; considered in Committee; reported without amendment;
read a Third time

Legal Profession (Amendment) Bill (Cols. 1827-1829)

Read a Second time; considered in Committee; reported without amendment;
read a Third time

Small Claims Tribunals (Amendment) Bill (Cols. 1829-1831)

Read a Second time; considered in Committee; reported without amendment;
read a Third time

Moneylenders (Amendment) Bill (Cols. 1831-1845)

Read a Second time; considered in Committee; reported without amendment;
read a Third time

Statutes (Miscellaneous Amendments) (No. 2) Bill (Cols. 1845-1854)

Read a Second time; considered in Committee; reported without amendment;
read a Third time

National University of Singapore (Corporatisation) Bill (Cols. 1854-1910)

Read a Second time; considered in Committee; reported without amendment;
read a Third time

Exempted Business (Col. 1904)

Motion agreed to

Nanyang Technological University (Corporatisation) Bill (Cols. 1910-1919)

Read a Second time; considered in Committee; reported without amendment;
read a Third time

Singapore Management University (Amendment) Bill (Cols. 1919-1921)

Read a Second time; considered in Committee; reported without amendment;
read a Third time

Goods and Services Tax (Amendment) Bill (Cols. 1921-1924)

Read a Second time; considered in Committee; reported without amendment;
read a Third time

Stamp Duties (Amendment No. 2) Bill (Cols. 1924-1927)

**Read a Second time; considered in Committee; reported without amendment;
read a Third time**

Adjournment (Cols. 1927-1928)

**Written Answers to Questions for Oral Answer Not Answered by 3.00 pm
(Cols. 1929-1932)**

- 20. Power Seraya generators' switch to Orimulsion (Cols. 1929-1930)**
- 26. Overseas youth programmes (Cols. 1931-1932)**
(Youth Expedition Programme and School Twinning Fund)

Written Answers to Questions (Cols. 1933-1944)

- 1. Singapore Exchange IT systems (Cols. 1933-1936)**
(Tackling of problems)
- 2. & 3. Credit card debts (Cols. 1935-1936)**
- 4. Execution (Cols. 1937-1938)**
(Change of method)
- 5. Aljunied Group Representation Constituency (Cols. 1937-1938)**
(Upgrading)
- 6. & 7. Privatisation of MediShield Plus (Cols. 1937-1940)**
(Surplus funds)
- 8. Avian flu (Cols. 1939-1942)**
(Inter-Ministry cooperation and precaution)
- 9. Part-time employment (Cols. 1941-1942)**
(Statistics and incentives)
- 10. Compensation structure for social workers (Cols. 1941-1944)**

PARLIAMENTARY DEBATES SINGAPORE

OFFICIAL REPORT

TENTH PARLIAMENT

PART II OF SECOND SESSION

VOLUME 80

Monday, 21st November, 2005

The House met at 1.30 pm

PRESENT:

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

Mr Ahmad Khalis Bin Abdul Ghani (Hong Kah).

Mr Ang Mong Seng (Hong Kah).

Mr Cedric Foo Chee Keng (West Coast).

Mr Alexander Chan Meng Wah (Nominated Member).

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

Mr Chay Wai Chuen (Tanjong Pagar).

Dr John Chen Seow Phun (Hong Kah).

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

Mr Steve Chia Kiah Hong (Non-Constituency Member).

Mr Chiam See Tong (Potong Pasir).

Assoc. Prof. Chin Tet Yung (Sembawang).

Mr Charles Chong (Pasir Ris-Punggol).

Mr Arthur Fong (West Coast).

Mr Gan Kim Yong (Holland-Bukit Panjang), Minister of State, Ministry of Education and Ministry of Manpower.

Mr Andy Gan Lai Chiang (Marine Parade).

Dr Geh Min (Nominated Member).

Mdm Halimah Yacob (Jurong).

Mr Heng Chee How (Jalan Besar), Minister of State, Ministry of National Development.

Assoc. Prof. Ho Peng Kee (Nee Soon East), Senior Minister of State, Ministry of Law and Ministry of Home Affairs.

Mr Inderjit Singh (Ang Mo Kio), Deputy Government Whip.

Ms Indranee Rajah (Tanjong Pagar).

Prof. S Jayakumar (East Coast), Deputy Prime Minister, Coordinating Minister for National Security and Minister for Law.

Mr Khaw Boon Wan (Tanjong Pagar), Minister for Health.

Assoc. Prof. Koo Tsai Kee (Tanjong Pagar), Senior Parliamentary Secretary to the Minister for Defence and Minister for the Environment and Water Resources.

Dr Lee Boon Yang (Jalan Besar), Minister for Information, Communications and the Arts and Government Whip.

- Mr Lee Hsien Loong (Ang Mo Kio), Prime Minister and Minister for Finance.
- Mr Lee Yock Suan (East Coast).
- Mr Leong Horn Kee (Bishan-Toa Payoh).
- Mr Lawrence Leow Chin Hin (Nominated Member).
- Mr Lim Boon Heng (Jurong), Minister, Prime Minister's Office.
- Mr Lim Hng Kiang (West Coast), Minister for Trade and Industry.
- Mrs Lim Hwee Hua (Marine Parade), Minister of State, Ministry of Finance and Ministry of Transport.
- Mr Raymond Lim Siang Keat (East Coast), Minister, Prime Minister's Office, Second Minister for Finance and Second Minister for Foreign Affairs.
- Mr Lim Swee Say (Holland-Bukit Panjang), Minister, Prime Minister's Office and Deputy Government Whip.
- Mr David T E Lim (Holland-Bukit Panjang).
- Mr Loh Meng See (Jalan Besar).
- Dr Loo Choon Yong (Nominated Member).
- Miss Penny Low (Pasir Ris-Punggol).
- Assoc. Prof. Low Seow Chay (Chua Chu Kang).
- Mr Low Thia Khiang (Hougang).
- Mr Mah Bow Tan (Tampines), Minister for National Development and Deputy Leader of the House.
- Mr Matthias Yao Chih (MacPherson).
- Encik Mohamad Maidin B P M (Marine Parade), Senior Parliamentary Secretary to the Minister for Home Affairs.
- Dr Lily Neo (Jalan Besar).
- Ms Irene Ng Phek Hoong (Tampines).
- Ms Eunice Elizabeth Olsen (Nominated Member).
- Mr Ong Ah Heng (Nee Soon Central).
- Dr Ong Chit Chung (Jurong).
- Mr Ong Kian Min (Tampines).
- Dr Ong Seh Hong (Aljunied).
- Assoc. Prof. Ong Soh Khim (Nominated Member).
- Mr Othman Haron Eusofe (Marine Parade).
- Mdm Cynthia Phua (Aljunied).
- Prof. Ivan Png Paak Liang (Nominated Member).
- Mr R Ravindran (Marine Parade).
- Mr S Iswaran (West Coast), Deputy Speaker.
- Mr Seng Han Thong (Ang Mo Kio).
- Mr Sin Boon Ann (Tampines).
- Dr Tan Boon Wan (Ang Mo Kio).
- Dr Tan Cheng Bock (Ayer Rajah).
- Mr Tan Soo Khoon (East Coast).
- Dr Tan Sze Wee (Nominated Member).
- Mr Teo Chee Hean (Pasir Ris-Punggol), Minister for Defence.
- Mr Teo Yock Ngee (Nominated Member).
- Mr Tharman Shanmugaratnam (Jurong), Minister for Education.
- Dr Tony Tan Keng Yam (Sembawang).
- Dr Vivian Balakrishnan (Holland-Bukit Panjang), Minister for Community Development, Youth and Sports and Second Minister for Trade and Industry.
- Mr Wee Siew Kim (Ang Mo Kio).
- Mr Wong Kan Seng (Bishan-Toa Payoh), Deputy Prime Minister, Minister for Home Affairs and Leader of the House.
- Encik Yatiman Yusof (Tampines), Senior Parliamentary Secretary to the Minister for Information, Communications and the Arts.
- Mr Yeo Guat Kwang (Aljunied).
- Mr George Yong-Boon Yeo (Aljunied), Minister for Foreign Affairs.

*Oral Answers to Questions***RESCUE AND RESOURCE CENTRE**

10. **Miss Penny Low** asked the Minister for Foreign Affairs (a) if he will give a status update on Singapore's offer to be a regional disaster rescue and resource centre; (b) whether there is any scope or effort to develop Singapore into a hub for regional or global risks and resource management, given the information communications technology, finance and logistics infrastructure of Singapore's knowledge-based economy; and (c) if so, what are the costs and benefits.

The Minister of State for Foreign Affairs (Mr Zainul Abidin Rasheed) (for the Minister for Foreign Affairs): Mr Speaker, Sir, during last December's tsunami, Singapore had offered the UN its facilities for a regional coordination centre to help in the relief efforts. The UN was appreciative of our offer even though they did not take it up.

Following the tsunami, the UN is reviewing its logistics operations in the region. A joint UN team has visited Singapore as well as other countries in the region to assess the feasibility of setting up an Emergency Logistics Response Facility. Singapore is, of course, happy to support the UN if they are interested to base their facility here. We have indicated to them the areas where we can be helpful.

There is some potential for the UN and its affiliated agencies to leverage upon Singapore's regional hub status for disaster response management, given our strong logistics and communications infrastructure and well-known efficiency. In addition, there is some scope for cooperation with UN agencies interested in sharing information and knowledge in this specialised field. Our agencies, such as MOH and SCDF, already conduct various training courses related to emergency preparedness and disaster

management in collaboration with international agencies.

Mr Speaker, Sir, our efforts to support international agencies like the UN or others interested to base themselves here will be a logical extension of our role as a major transport, telecommunications and IT hub. But it is difficult to quantify the costs and benefits given that logistics needs in any crisis are by definition uncertain. For Singapore, the benefits will mainly come from the recognition of our useful role in helping the UN and their affiliated agencies. It will also complement the presence of our logistics multinational companies. However, we should bear in mind that we are a small country with limited resources. The UN has enormous needs. Sir, as a responsible member of the international community, where we can make a difference, we will try to be as helpful as we can.

SALARIES OF TOP EMPLOYEES IN STATUTORY BOARDS

(Disclosure)

11. **Prof. Ivan Png Paak Liang** asked the Prime Minister and Minister for Finance if he will make it a requirement for statutory boards to disclose salaries and other compensations of top employees on an annual basis, as is done in the civil service and public-listed companies.

The Minister of State for Finance (Mrs Lim Hwee Hua) (for the Prime Minister and Minister for Finance): Sir, requirements for financial disclosure by companies in Singapore are guided by the Financial Reporting Standards (FRS). In July 2004, FRS 24 was revised to explicitly require companies to disclose the remuneration of key management personnel in their financial statements for annual periods beginning on or after 1st January 2005.

[Mrs LIM HWEE HUA]

The Government requires all statutory boards to comply with the same set of accounting standards that applies to companies in Singapore. Hence, all statutory boards will comply with FRS 24 and provide the necessary disclosure on remuneration of key management personnel.

NATIONAL RESEARCH AND DEVELOPMENT SURVEY 2004

(Singaporean researchers and postgraduate students)

12. **Assoc. Prof. Ong Soh Khim** asked the Minister for Trade and Industry, with regard to the National Research & Development (R&D) Survey 2004, (a) what are the percentages of Singaporeans and naturalised Singaporeans who are (i) researchers with Master and PhD qualifications in the private and public R&D sectors (ii) full-time postgraduate students pursuing Master and PhD degree courses; and (b) if his Ministry plans to increase the number of Singaporeans pursuing Master and PhD degree courses and the number of Singaporean researchers in the private and public R&D sectors.

The Minister for Trade and Industry (Mr Lim Hng Kiang): Mr Speaker, Sir, based on the findings of the 2004 National Research & Development (R&D) Survey, Singaporeans and naturalised Singaporeans made up 55% of the 2,073 researchers with Master degrees and 33% of the 3,282 researchers with PhDs in the public sector. In the private sector, Singaporeans made up 39% of the 2,831 researchers with Master degrees and 24% of the 781 researchers with PhDs. Singaporeans made up 24% of the 1,215 full-time postgraduate research students pursuing Master degrees; and 11% of the 2,490 full-time postgraduate research students pursuing PhDs, at the local universities.

Mr Speaker, Sir, as the Member is aware, the public sector R&D takes place in three areas. First, in our universities; second, in MTI's research institutes; and third, in the other agencies in the other Ministries, for example, in the Ministry of Health, MINDEF and the Environment and Water Resources Ministry. As far as MTI is concerned, A*STAR's focus is to train PhD level research manpower for its research institutes (RIs) and to spin out these researchers at its RIs to the industry. We feel that there are too few Singaporean PhD researchers today. So one of A*STAR's goals is to develop a more balanced mix of nationalities at its RIs. It targets to increase the number of Singaporean PhD researchers at the RIs from about 175 today to about 500, or about 50% of the PhDs at the RIs, at a steady state. To this end, A*STAR established the National Science Scholarship (NSS) and A*STAR Graduate Scholarship (AGS) programmes. These scholarships and fellowships build the pipeline to grow the base of Singaporean PhDs. They are open to both Singaporeans and foreign citizens who intend to become Singaporeans.

Since the launch of the NSS and the AGS programmes in 2001 and 2003 respectively, A*STAR has awarded close to 600 scholarships and fellowships. A*STAR expects to award another 900 scholarships and fellowships in the next five years, ie, from 2006-2010. Of these, about 200 will have completed their PhD training by 2010.

NATIONAL RESEARCH AND DEVELOPMENT SURVEY 2004

(Expenditure on research areas)

13. **Assoc. Prof. Ong Soh Khim** asked the Minister for Trade and Industry, with regard to the National Research & Development (R&D) Survey 2004, what are the specific research areas in terms of biomedical, engineering, electronics,

Oral Answers to Questions

submit returns of dengue deaths to my Ministry. This is batched and done on a monthly basis. This particular patient's death was included in the October data which was sent by the Registry. I presume this is the notification that Mr Chia was referring to.

SUBSCRIPTION OF SATELLITE TELEVISION

(Regulations)

16. **Prof. Ivan Png Paak Liang** asked the Minister for Information, Communications and the Arts if he will relax regulations that prohibit Singaporeans from subscribing to satellite television.

The Minister for Information, Communications and the Arts (Dr Lee Boon Yang): Mr Speaker, Sir, the satellite TV policy has been debated several times in this House on previous occasions. The installation of satellite dishes for households has been disallowed to keep out undesirable content that is at odds with Singapore's multi-racial and multi-religious society. This was why we have built up the cable network nationwide, so that Singaporeans would nonetheless be able to subscribe and enjoy a wider range of television programmes. In terms of content and programming, the digital cable TV in operation today has the capacity to offer nearly as much choice as satellite television, not quite but nearly.

Nevertheless, the Government has constantly reviewed the satellite TV policy over the years, and where it was necessary to relax satellite TV regulations, the Government had done so. For instance, banks, financial institutions and commercial organisations with the need for time-sensitive information are already permitted to install satellite dishes to access satellite TV. More recently, we have also allowed hotels, tertiary and technical institutes, international schools

and hospitals to have access to satellite TV for restricted use.

Sir, however, the reasons why we should prevent undesirable content from easy entry to the homes of Singaporeans through satellite dishes remain valid and important. In the face of increasing security challenges worldwide today, we must continue to be vigilant against external influences that may seek to split or divide our society.

Going forward, the Government will continue to constantly review the satellite TV policy to ensure that our regulations keep pace with technological developments and trends in the entertainment industry. The Media Development Authority will continue to work towards a regulatory environment that ensures a wider choice of TV content and range of broadcast platforms available in Singapore. But this must be guided by the need to remain vigilant and steadfast in our duty to safeguard the racial and religious harmony of our society. Until we can fully and viably address the potentially adverse social effects of allowing households to install satellite dishes, we will have to continue to disallow satellite dishes to be installed in our homes.

Prof. Ivan Png Paak Liang (Nominated Member): Sir, I thank the Minister for the answer. I have two supplementary questions. First, I understand that there are a lot of choices available on cable TV. Indeed, there is even more content available on the Internet, as the Government has said so many times. Since we are not fearful of what is available on the Internet, we should not be fearful of what is available on satellite TV.

My supplementary question is this. Content is one issue. The other issue is choice and pricing. We have only one cable TV provider. Would the Ministry not consider the introduction of satellite

Oral Answers to Questions

[Prof. IVAN PNG PAAK LIANG]

TV from the point of view of competitiveness as well as from content? Namely, we have no way to make sure that our cable TV provider provides good choices at low prices, because no one else wants to provide cable TV. The obvious way is a technologically neutral policy which admits satellite TV as a competitor to cable TV.

My second supplementary question is: does the Ministry also regulate the use of global positioning system (GPS) receivers in Singapore? Are there any restrictions in Singapore on the use of GPS receivers?

Dr Lee Boon Yang: Mr Speaker, Sir, I think we should make a distinction between broadcast and what is available on the Internet. The fact that Singaporeans have full access to the Internet and through broadband technology they have rapid access to almost any content that is available on the Internet does not mean that we should try to replicate everything that goes on in the Internet in our broadcast environment, which is very much a part of our public arena. The Internet, while it is freely accessible, is still a matter of individual choice of which website he wants to access and what services he wants to look for. I think we should not try to replicate everything that is on the Internet in any of our public arena just because people have access to the Internet.

On competition, I agree with the Nominated Member of Parliament that we should try as far as possible to have more competition in our pay TV sector. Members will recall that in 2003 when the monopoly for the Singapore Cable Vision's pay TV service came to an end, my Ministry, in fact, issued an invitation for bidders to a second pay TV licence. On hindsight, Mr Speaker, Sir, the timing was not perfect. We had just come through the regional economic downturn com-

pounded by the appearance of SARS in early 2003. The economic scenario was rather bleak at that point in time. So it was not surprising therefore that there were no interested parties bidding for the second pay TV licence. We said at that time when the outcome of the exercise became known that there was no bidder, that we would continue to explore the possibility of introducing a second pay TV operator. And the purpose is, of course, exactly what the Member is suggesting – introduce competition in the pay TV market so that consumers in Singapore can have more choices and, hopefully, through competition, there will be even a greater variety of content made available to our consumers.

Let me assure this House that my Ministry is continuing to examine the possibility of introducing a second TV operator and we will consider all the various technological platforms that are available for a second TV operator to be commercially viable and successful.

On the regulation of GPS receivers, I think it is not quite related to TV RO. I believe that GPS receivers are already available in Singapore. Cars are equipped with such GPS devices to help drivers navigate. There are many other applications where GPS receivers are installed. I do not think that they are in the same kettle of fish as satellite TV ROs.

Prof. Ivan Png Paak Liang: I thank the Minister for the answer. I just want to reiterate to the Minister that we know there is very little economic ground for another pay cable TV operator to come in, because they just cannot earn the required return on investment of the network. That is why I have asked the Minister to please consider using satellite TV as the way to ensure good enough competition with the cable TV company.

Dr Lee Boon Yang: Mr Speaker, Sir, we do understand that to specify a

Oral Answers to Questions

second pay TV operator should also install a fibre network is not a commercially attractive proposition because the cost is quite high. So we are prepared to examine various alternatives. That is why I mentioned earlier on that we will study the different technological platforms that can enable a second pay TV operator to roll out his service.

Mr Sin Boon Ann (Tampines): Sir, thank you for your indulgence. I just want to raise a point of clarification. I think the point was made earlier that if there is very little restriction to access on content in the Internet, why can the Government not allow people to then subscribe for satellite television if they are broadcast from outside of Singapore? Because, equally, you have access to content that would otherwise be available on the Internet.

Dr Lee Boon Yang: Mr Speaker, Sir, my explanation is that we should try to make a distinction. The Internet has grown to become a very pervasive medium, reaching globally to all communities. There are lots of good aspects and there are also a lot of bad aspects of the Internet. But we leave it to people in the privacy of their homes and working on their computers to decide how they want to access this medium and what they want to have delivered to themselves through the Internet. In the case of parents who are concerned with their children's access to the Internet, we have always advised them that when they sign up for Internet access from their households, they should sign up for what is called family-friendly access network where the Internet service provider will ensure that their children do not have access to undesirable contents. So there is this element which will enable parents protect their children from the undesirable side of the Internet.

Having said that, we concede that there is no way that we could effectively

regulate what goes on on the Internet, because that was how the Internet was designed to be beyond most regulation. In terms of content, we have only salutarily blocked access to 100 websites. In fact, a recent study by a group called the Open Network Initiative in the US showed that in Singapore, there is hardly any obstruction created by the regulator for access to the Internet and that we are truly an open network society. But that does not mean that we should allow the broadcast media to adopt the same approach to broadcast anything directly into the homes of our people. I think that is a totally different matter. Of course, we also understand that with technology evolving so rapidly, maybe one day it may not be possible for the Government to even regulate access to satellite television content. When that day comes about, we will then review our policy again and see how we deal with the situation. As of now, it is still within our ability to regulate the installation of satellite dishes for direct access to TV broadcast and we will continue to do so for the time being.

SINGAPORE AS MAIN PORT OF CALL**(Competition)**

17. **Mr Andy Gan Lai Chiang** asked the Minister for Transport whether Singapore is still the main port of call despite competition from ports in neighbouring countries.

Mrs Lim Hwee Hua (for the Minister for Transport): Mr Speaker, Sir, I am pleased to inform Members that the Singapore port has continued to perform well in the first nine months of 2005. Shipping tonnage is up 10.1%, cargo throughput up 8.8%, and bunker sales up 9.2% compared to the same period last year. 2004 itself was a record year for the Singapore port. In 2004, total tonnage crossed the one-billion tonne mark for the first time to reach 1.04 billion gross tonnes, and we maintained our position as

Oral Answers to Questions

development programmes, including the Seafaring Alternative – an Investment for Life (SAIL) Scholarship and Tripartite Maritime Scholarship Schemes. These programmes are conducted in partnership with the industry.

Besides companies, industry associations such as the Singapore Maritime Foundation (SMF) and Singapore Shipping Association have also contributed enthusiastically in support of our efforts. They play a valuable role in consolidating the industry's views and providing valuable feedback to the Government, as well as leading and updating their members on the Government's initiatives. This June, SMF led a delegation to the Norshipping Conference at Oslo where Singapore's capabilities were showcased. Their active participation in dialogues with the Maritime and Port Authority of Singapore and the relevant industry groups have helped create a more conducive business environment. Likewise, efforts are directed at promoting careers within the maritime industry.

While we are still at an early stage compared to mature maritime centres like London, things are moving at a suitably quick pace and in the right direction. Already, companies under our Approved International Shipping (AIS) and Approved Shipping Logistics (ASL) schemes generate business spending in excess of S\$2.5 billion annually. The Singapore Registry of Ships has moved up to become the fifth largest registry in the world, with more than 3,100 vessels totalling 31.7 million gross tonnes. Apart from the conventional shipping activities, the Government is also actively gearing up the ancillary service infrastructure. This would include maritime insurance, arbitration, ship financing and derivatives trading.

Mr Speaker, Sir, our IMC efforts are therefore progressing well, as a result of

excellent support from the industry. My Ministry will continue to develop this close partnership to bring Singapore's maritime sector into its next stage of growth.

AIR SERVICES BETWEEN MALAYSIA AND SINGAPORE

(Liberalisation)

19. Prof. Ivan Png Paak Liang asked the Minister for Transport if he will work with the Malaysian Government to generally liberalise air services between Malaysia and Singapore, and specifically to (a) abolish the "revenue pool" on the Kuala Lumpur to Singapore air route, as it inhibits market competition; and (b) facilitate multi-mode travel, for instance, arrangements combining travel by bus and air.

Mrs Lim Hwee Hua (for the Minister for Transport): Sir, Singapore has always adopted an open aviation policy that seeks to maximise air links with other countries for mutual benefit. We have always been prepared to liberalise our Air Services Agreement (ASA) with Malaysia to establish more air links between our two countries.

During PM's visit to Malaysia in October 2004, PM and Malaysian PM Abdullah Badawi had agreed to expand cooperation in air transport. Mr Yeo Cheow Tong had also visited his Malaysian counterpart, Transport Minister Dato' Chan Kong Choy last year, and they agreed that it would be timely for both sides to review our bilateral Air Services Agreement, which was last expanded in 1980. Since then, our officials have held preliminary discussions to expand the air links. We have also invited Minister Chan to visit Singapore for further discussions.

Sir, a more liberal Air Services Agreement would allow carriers from both sides to expand their operations between Singapore and both Peninsular and East

Oral Answers to Questions

[Mrs LIM HWEE HUA]

Malaysia. It would also pave the way for new Singapore and Malaysian carriers to serve the market. The travelling public will then benefit from a wider choice of carriers and destinations, as well as more competitive fares. More air links will generate greater economic benefits for both countries as well as the region through increased tourism, trade and investments. Singapore and Malaysia can also help bring about a more liberal aviation regime in ASEAN by taking the lead and moving ahead of ASEAN's goal of lifting all restrictions on passenger flights between the ASEAN capital cities by 2008.

Prof. Ivan Png has asked if the existing "revenue pool" arrangement between SIA and Malaysian Airlines on the Singapore-Kuala Lumpur route would be abolished as this may be inhibiting market competition. Let me provide some background information on this "revenue pool" arrangement. SIA and Malaysian Airlines first entered into this arrangement in September 1988 to divide their combined revenues from their Singapore-KL operations. The objective was for both airlines to share capacity and to coordinate flight timings in order to provide frequent and regular operations for the Singapore-KL route. Today, the two airlines operate a combined total of 13 frequencies per day, ie, almost an hourly service by SIA or Malaysian Airlines between 6.00 in the morning and 11.00 at night. As this "revenue pooling arrangement" is a commercial agreement between SIA and Malaysian Airlines, it is best for the two airlines to decide on whether to continue with this arrangement, based on their own commercial considerations.

Sir, this arrangement, however, does not prevent other approved carriers from operating services between Singapore and Malaysia. Besides SIA and Malaysian

Airlines, other carriers such as Japan Airlines currently operate a total of two daily services between Singapore and KL. Singapore is prepared to allow other carriers from both countries to operate on the Singapore-KL route, as well as to other points in Malaysia but this will require the agreement of the Malaysian side. I therefore hope that both sides can meet soon to expand bilateral air services for the benefit of the travelling public.

Prof. Ivan Png has also asked about facilitating multi-mode travel. We would be happy to explore this where it makes sense and it is in our national interests. In any case, there are already extensive road transport services linking Singapore and Peninsular Malaysia.

Prof. Ivan Png Paak Liang: Sir, is the Minister aware that as a result of the revenue pool, there are fewer flights between Singapore and KL, and the prices are higher than even more distant destinations such as Singapore-Bangkok or Singapore-Jakarta? Would the Minister please comment on the usual way to undermine a cartel, such as this revenue pool, is through the entry of competition? Competition is now limited on the KL side, according to the Minister. But if we allow low-cost carriers to operate a combination of bus plus air services through Senai Airport, this would be a way by which the consumers – the Singapore travelling public – can enjoy low-cost fares to Kuala Lumpur, and the additional benefit of undermining this revenue pool that SIA and MAS are holding up.

Mrs Lim Hwee Hua: Sir, for the Member's interest, there was actually an expansion of airline operations on what we would term as an extra bilateral basis, and this was done in March 2005 where SIA, SilkAir and Malaysian Airlines actually mounted additional services in response to the demand. So I am not aware of a reduction in the number of

Oral Answers to Questions

services. But beyond this, these extra bilateral arrangements are not unique to the Singapore-Malaysia route, and are really meant to facilitate air services in general. The existing G-to-G Air Services Agreement currently does not provide for such services and would necessarily have to be reviewed.

Mr Tan Soo Khoon (East Coast): Mr Speaker, Sir, this issue of the revenue pooling between the two airlines of Singapore and Malaysia is not a new issue. But can I ask why is it that in this era of competition and trade liberalisation, we are still allowing the two airlines to have this archaic policy of revenue sharing which, in fact, results in higher prices for travellers commuting between Singapore and Kuala Lumpur? Does it not appear ludicrous to the Minister of State that it is in fact cheaper to fly from Singapore to Bangkok than to fly from Singapore to Kuala Lumpur?

Mrs Lim Hwee Hua: Sir, airline operators would have to decide on the commercial arrangements that best fit the needs whilst at the same time, as a country, we need to ensure that all air rights are fully utilised. The policy of the Ministry of Transport is one of encouraging all carriers to operate on the Singapore-Malaysia route and, as it is, this route is not dominated by Singapore Airlines and Malaysian Airlines. This is strictly a commercial arrangement and it is quite similar to the different code-share arrangements that other airlines have on other segments as well. As the Member would know, pricing for any one sector is not strictly by distance and it is more a question of supply and demand. And, therefore, a comparison between the pricing of a service from Singapore to Bangkok with that from Singapore to KL is not entirely comparable.

Mr Tan Soo Khoon: Mr Speaker, Sir, does the Minister of State believe that it is in the interest of travellers between the

two countries to allow what is essentially a cartel made up of MAS and SIA to exist? Because although she says that there are other carriers that ply this route, in effect, these other airlines are not having the same frequency of flights as SIA and MAS. And at any rate, the times at which they fly off are not really practical for most people, particularly business people.

Mr Speaker: You have two minutes, Mrs Lim.

Mrs Lim Hwee Hua: Sir, this is really ultimately a question of allocation of air rights to the different operators operating on the route. The solution is not to re-allocate the air rights. The solution is to seek greater air rights so that we can cater to the underlying demand that is currently not satisfied.

POWER SERAYA GENERATORS**(Switch to Orimulsion)**

20. **Dr Geh Min** asked the Minister for the Environment and Water Resources (a) what will be the environmental impact of Power Seraya's switch to Orimulsion for three of its power generators; (b) if an Environmental Impact Assessment (EIA) was done; and (c) if so, whether the results of this study can be made available.

The Senior Parliamentary Secretary to the Minister for the Environment and Water Resources (Assoc. Prof. Koo Tsai Kee) (for the Minister for the Environment and Water Resources): Sir, in 2001, Power Seraya proposed to retrofit three of its fuel oil electricity generating units to use orimulsion. As with all major industrial and power plant projects, Power Seraya was required to conduct an environmental Pollution Control Study (PCS) to assess the environmental pollution impact of the proposed retrofitting. Power Seraya engaged a

National University of Singapore (Corporatisation) Bill – Second Reading

[Dr LILY NEO]

outperformed against many of the benchmarks of asset classes, apart from real estate and inflation indexed bonds. This has allowed Harvard to deliver the appropriate returns to investors. However, Harvard's ability to do so is through its prudent management of its policy portfolio for the Harvard endowment.

Thus, the first question to reflect on is what steps Universities would need to take so that they can deliver the expected yields on investment made. In the case of Harvard, the Harvard Management Company issues an annual report to its investors tracking five-year and 10-year performance. Harvard has consistently outperformed in its results. However, it is a benchmark since it has a long tradition and its alumni donate generously to its *alma mater* whereas in Singapore, the culture of philanthropy is not as developed. Will our Universities be able to fulfill the performance targets?

Secondly, the success of a possible bond issue in attracting investors would be dependent on its ability to obtain a good bond rating. Agencies, such as Moody's would provide a positive outlook on a bond issue if it is able to secure its repayment obligations through unrestricted revenues. So the local universities that intend to issue out bonds would need to ask if they have the ability to attract strong student demand with high net tuition revenue per student. Similarly, these universities would need to ensure efficient operating performance. An increasing proportion of the repayment obligations incurred by universities that have issued bonds in the United States is sourced through robust fund-raising campaigns. Thus, we have to ask if our local universities have the people who are equipped to handle these kinds of activities to support their repayment obligations if they issue out bonds.

Mr Deputy Speaker, Sir, bond issues by local universities may result in accelerated fee hikes. This would be a negative consequence of a bond issue that I am wary of. In the United States, some universities that have issued bonds implemented fee hikes in stages for the specific purpose of funding bond repayment obligations. If universities are going to issue bonds here, it may be important to know what steps they intend to take and the impact of their decisions.

Sir, the salient point is how does our Government ensure that the corporatised universities are accountable to certain performance measures and transparent in their dealings, management and spending? Transparency in all these areas is essential to maintain public confidence. Will MOE attach certain performance measure for the continuation of Government subsidy? What kind of penalty will be attached to failure of accountability? Will the Quality Assurance Framework for Universities address all these areas?

I hope the Minister can address my areas of concerns.

Prof. Ivan Png Paak Liang: Thank you, Mr Deputy Speaker, Sir, for allowing me to join in this debate.

First, I should disclose that I am a professor of the National University of Singapore and an elected member of the Senate Delegacy. I would like address the same point to both the NUS and the NTU Bills. I support both these Bills. I have only one concern.

Mr Deputy Speaker, Sir, the cornerstone of the success of our universities is academic governance, and, in turn, the academic governance is founded upon the university's constitution. I think we are all aware of the sensitivity of the issue of academic governance, especially with regard to the recent decision of the University of

National University of Singapore (Corporatisation) Bill – Second Reading

Warwick not to come to Singapore. Sir, my concern is, with regard to the NUS and NTU Corporatisation Bills. Under these two Bills, the original NUS and NTU Acts will be repealed. Along with the repeal of those Acts, the respective universities' constitutions will also be repealed.

My concern, Mr Deputy Speaker, Sir, is what will become of the universities' constitutions with the corporatisation of these two universities? Will the constitutions be incorporated into the new university Memorandum and Articles of Association? If not, how can we be assured that the academic governance of our two great universities will be continued to be safeguarded in the era of corporatisation?

Dr Geh Min (Nominated Member): Mr Deputy Speaker, Sir, thank you for allowing me to join in the debate.

The Minister for Education posed the question on what makes a university great. I believe that John D Rockefeller asked the same question of the President of Harvard, Charles Eliot, who answered "\$50 million and 200 years". This answer was given approximately 100 years ago. I assume that the figures have changed. I am sure everyone will agree with me that it takes a lot more money now to make a great university. Hopefully, it takes less time, perhaps we can telescope the time with globalisation and IT. But I think with the new university autonomy corporatisation Bill, this is a question that we all should be asking ourselves, and especially the universities. I am sure they are doing that.

Since there have been some – in fact, no less than the Prime Minister himself – who have brought up the issue of the X-factor with regard to Singapore becoming a great global city, I think it is relevant to ask what the X-factor is with regard to universities. Like all X-factors, when you

see it, you recognise it, you know what it is. But it is very difficult to put in words. If you have not seen it, like a great work of art or a great culinary dish, it is very difficult for someone else to transmit it to you second-hand. But I believe that all of us must have experienced it in some way or another. If I may be permitted, I would like to describe my own experience.

When I was admitted into NUS as a medical undergraduate, I remember that in our first year, we did a survey – I think this was spontaneously initiated by the students – we did a survey of all the medical students who had gone in to find out what was the main motivating reason that we were doing medicine. At that time, of course, there was no career guidance. There was no interview system. So it was purely on grades.

The majority of the students said that they went in because they thought that medicine gave them a degree which would provide a respectable and secure job. In other words, they went in for that paper qualification. The second largest group said that they went in – and I am sorry to say that I belonged to that group – mainly because of parental or family pressure. But presumably, the parental and family pressure was for the same thing, the paper qualification, but we did not have the ability to think it out ourselves. And only a very small minority said that they went in out of love for medicine, either the ideal of practising as a doctor or the pursuit of medical knowledge. I do not think there was any fine distinction because it was such a small group. This does not sound very good, not just for the medical profession, but for medicine in Singapore. I am glad that the Minister for Health is not here.

But what happened to all of us? I think if a survey had been done in our final year, we would have responded differently, because the X-factor had, I believe, touched all of us, which is that

National University of Singapore (Corporatisation) Bill – Second Reading

on cost increases as well as improvements in quality. And they will not be able to take in less qualified students who are prepared to donate or pay their way in. This is something that would be enshrined in the Policy Agreement – that admission will be based on merit.

On financial assistance, we have a whole array of schemes present. In fact, there are about 20 financial schemes presently in our universities for financial assistance. The question was asked about very needy students. They are also served, quite apart from the Tuition Fee Loan scheme which a significant proportion of students, over a third of our students, take advantage of. We also have students who cannot pay the remaining 20% – but from next year, we are going to raise the Tuition Fee Loan to 90% of fees so they only need to pay the remaining 10% – there will be some needy students who do not have the resources to pay that remaining 10% and they can apply for the Study Loan scheme, which allows them to fund the remaining 10%. On top of that, we have got bursaries available to students on a means-tested basis. We also have schemes outside the universities offered by foundations, various professional organisations as well as schemes that operate at the local community level. So we will make sure that there is no lack of financial schemes and resources available for qualified students to be able to further their university education even if their parents cannot afford it.

We are improving some of our processes. Each of the universities is now putting in place a dedicated student financing office to help to look at each student himself or herself, what is the family situation, how can we help them, whether they should do some work in the university to earn a little money while giving them a loan or a bursary. We will look at the package in entirety. This is the

way the best universities do it as well – a dedicated student financing office.

Will the universities be burdened by the servicing of their loans and bond issues, a question which Dr Lily Neo posed. The basic reason why we have moved towards a framework in which the universities, like other statutory boards, go to the capital market to fund capital expenditures is one of efficient use of capital. It allows Ministries and the statutory boards to take into account the market pricing of the cost of capital, and it leads to a certain discipline. The Ministry will continue to provide a grant for a portion of all the universities' strategic projects. 40% of the cost of these projects will be funded by the Ministry's grant and the remaining portion they will fund by having to borrow. The universities have embraced this new funding arrangement and are now adopting good market practice in borrowing to finance the capital cost of their building and infrastructure projects. But there will not be undue financial burden on them in repaying the loan because MOE will, through our recurrent funding, continue to fund the universities for a substantial portion of the loan repayments and interest charges. So we are subjecting them to the discipline of the capital markets, something which provides us useful information as well, giving them the incentive to get the best possible rates on the market, but a good part of the servicing cost will continue to be funded by the Ministry.

Prof. Ivan Png has asked what happens to all the academic governance provisions that are currently in the NUS constitution once we rescind the constitution. Let me just clarify that immediately. The First Schedule of the existing Constitution, which comprises all these academic governance provisions, will be transferred, with some modification, to the M&A of the universities. So we are not getting rid of all these

National University of Singapore (Corporatisation) Bill – Second Reading

[Mr THARMAN SHANMUGARATNAM]

provisions. It is just that there is no need to put them in the new Acts.

Academic governance is a key issue. Dr Geh Min and others talked about it. In fact, this is probably at the heart of what makes a great university. Having faculty members that enjoy interacting with students, including undergraduate students, and are passionate about the work they themselves are doing, is at the heart of a great university.

These will be matters that the universities will have to decide for themselves and find the right internal culture for. There are several key issues. First, what you teach and how you teach it. These are key issues for the Senate, for the top management, for the Deans and the faculty members to work out. Some universities have decided in a fairly top-down fashion, in others, bottom-up. They have to find their own identity in this respect. But the key issue, which relates to one of the questions that Dr Lily Neo posed, is how do you assess the faculty and how do you promote them. That is a critical success factor in the best universities in the world. If you look at the top American universities, a highly disciplined system of tenure, with considerable selectivity on who gets the tenure, is the source of their reputation and success in attracting good faculty – in motivating young, bright faculty, who know that they are not looking up at an old seniority-based structure, but one based on merit and merit alone, and in ensuring that they then attract the best students to come because they know that here is a vibrant faculty being renewed – by giving some assurance of stability to the best minds. So developing this disciplined system of tenure is a critical area for the universities to decide and this is an area not just for the Senate, the management and the faculty of the

universities, but also for the Board of Trustees.

Thirdly, another very important issue and one where there is no iron law is the question of whether you develop your own faculty or whether you hire from outside, mid-career. There are different models. If you look at Harvard, it thrives on a model of attracting the best from wherever they come from, mid-career. MIT is a very different model. It develops its own junior faculty, hires very bright young people to join its faculty, and then tries to keep them and develop them. Our universities will have to find the right model themselves – this balance between developing their own talent and recruiting mid-career people from other universities.

Prof. Ivan Png mentioned Warwick. Frankly, I would not wring my hands on this issue. Academic governance was not the key issue at all in Warwick's decision not to respond to EDB's offer. It was essentially financial issues that they were concerned with. A few faculty in Warwick were worried about academic freedom which of course makes very good noise in the international media.

I would say, quite categorically, that our universities face competition for talent. They will not succeed in this competition for talent, for faculty as well as students if they do not respect academic freedom. Because people can move.

How are they doing? Not too badly. Over half of our universities' faculty are foreigners. And this applies as well to the social sciences which I think is the area where we have got more of the grey issues that Dr Geh Min referred to, compared to medicine or sciences or engineering. In fact, 62% of NUS' social sciences faculties comprise foreigners. I do think the rankings are relevant. Yes, they are not the core of what we are trying to achieve. But the rankings cannot be so far divorced from the X-

WRITTEN ANSWERS TO QUESTIONS**SINGAPORE EXCHANGE IT SYSTEMS****(Tackling of problems)**

1. Prof. Ivan Png Paak Liang asked the Senior Minister if he will explain the reasons for the recent complaints about the Singapore Exchange (SGX) IT systems, including the (i) slow service at the SGX website; and (ii) sudden reversion to the old SESOPS system from the new SGXTrade after just two months; and what measures have been taken to resolve the problems.

Mr Tharman Shanmugaratnam (for the Senior Minister):*Slow service at the SGX website*

As with all Internet websites, users may experience slow access on the SGX website if there is a large number of users at the same time. In the case of SGX, almost all public interest is directed at the "live" stock prices and corporate announcements, with the greatest bandwidth consumption coming from the viewing of "live" stock prices. Users typically generate successive requests, often non-stop, for information updates in order to get the latest prices and news.

Over the past eight months, SGX has almost doubled its Internet bandwidth to address the high demand for "live" stock prices. Two months ago, SGX separated its Internet bandwidth into two channels so that the public accessing "live" stock prices will not have to compete with those accessing corporate announcements. This was to ensure that the public is able to access corporate disclosures in a timely manner.

SGX plans to make further improvements to its IT systems and infrastructure. SGX is also evaluating options on how to serve the needs of different customer segments better – from occasional users to heavy users. Besides the SGX website, investors can also obtain market information from alternative channels, such as Teletext, Internet trading sites and data service vendors like Bloomberg and Reuters.

Implementation of SGXTrade

The SGXTrade initiative forms part of SGX's business objective to offer more sophisticated trading capabilities to market participants. The current system, SESOPS, is a 16-year-old system that is becoming obsolete. SGX decided to work with participating broking houses, in a commercial relationship, to offer SGXTrade as a replacement solution to SESOPS. While some broking firms decided to develop their own trading solutions, 11 chose to adopt SGXTrade.

SGXTrade was rolled out on 19th August. In mid-October, SGXTrade started to experience intermittent outages. To avoid any potential adverse impact on customers, brokers were offered the option to switch back to SESOPS, with most taking up this offer. SGX is working to diagnose and rectify the problems identified. After SGXTrade's robustness has been improved, the system will be re-introduced.

Written Answers to Questions

As the operator of the key exchange in Singapore, SGX has to ensure that its trading platforms and infrastructure operate safely, efficiently and reliably. MAS will continue to monitor the measures taken by SGX to ensure that the issues are resolved expediently and with minimal inconvenience to investors.

CREDIT CARD DEBTS

2. **Assoc. Prof. Ong Soh Khim** asked the Senior Minister, from 2002 to the present, what are the respective percentages of credit card holders who (i) in each month, paid off their credit card balances in full, carried a balance and paid more than the minimum amount, and carried a balance and paid only the minimum amount due; (ii) owe more than \$5,000, \$10,000, \$20,000 and \$30,000 on their credit cards; and (iii) are unable to obtain loans as a result of poor credit payment records.

3. **Assoc. Prof. Ong Soh Khim** asked the Senior Minister if his Ministry will (i) increase the monthly minimum payment for credit card debt to cover interest, fees and a reasonable amount of the principal, to reduce Singaporeans' long-term debt; (ii) limit the maximum number of cards that can be issued to a single person; and (iii) introduce additional measures to prevent credit cards from becoming a major source of personal debt in Singapore.

Mr Tharman Shanmugaratnam (for the Senior Minister):

Singapore's credit card charge-off rate has been on the decline. It is also lower than that in many other countries. The charge-off rate, defined as bad debts written off divided by total receivables, has fallen steadily from a peak of 7.0% in fourth quarter 2003 to 3.8% in the first quarter of this year and 2.9% in the third quarter. The charge off rate for Hong Kong was 3.0% and for the US (second quarter 2005 data) 4.2%.

In Singapore, credit cards are used mainly as a mode of payment. 17% of credit card debt rolled over for more than one month as at end of third quarter 2005. The utilisation rate of credit cards on the whole has also fallen from a high of 24% of credit limits to 17% in third quarter this year. A recent report by Visa also showed that, for every S\$100 Singaporean Visa cardholders spent in 2003, they repaid \$96.

As the charge-off rates do not suggest a major problem of overborrowing, there is currently no need to impose further restrictions on the issuance of credit cards. Increasing the minimum payment for credit cards would serve essentially the same purpose as the current maximum credit limit, which is set at twice the cardholder's monthly income. A limit on the number of cards that can be issued to a single person would also be unnecessarily intrusive. It would reduce flexibility and convenience for consumers, many of whom use credit cards as a payment instrument. Card issuers are able to check with Credit Bureau Singapore on the number of credit lines an applicant already has and his repayment record, and would take this into account in deciding whether to extend further credit.

MAS will continue to monitor the situation and the Government will implement appropriate measures related to the ease of availability of credit should it become necessary to do so.

Written Answers to Questions

EXECUTION

(Change of method)

4. **Prof. Ivan Png Paak Liang** asked the Deputy Prime Minister and Minister for Home Affairs if he will change the method of execution from hanging to lethal injection.

Mr Wong Kan Seng:

The method of execution in Singapore is specified in law under the Criminal Procedure Code (Cap 68), section 216, which stipulates that "when any person is sentenced to death, the sentence shall direct that he shall be hanged by the neck till he is dead".

We had previously studied the different methods of execution and found no reason to change from the current method used, ie, by hanging.

ALJUNIED GROUP REPRESENTATION CONSTITUENCY

(Upgrading)

5. **Mr Steve Chia Kiah Hong** asked the Minister for National Development (a) if he will explain the Government's willingness to spend \$160 million to upgrade Aljunied Group Representation Constituency when there are much older housing estates still awaiting upgrading; and (b) whether the decision to upgrade any particular constituency has to do with increased opposition activity in that constituency.

Mr Mah Bow Tan:

The budget of \$160 million for the Aljunied GRC Town Improvement Master Plan comprises both funds from the Aljunied Town Council which it will use to carry out improvement works in the GRC over the next five years, as well as part of the budget the Government has set aside to implement the Estate Renewal Programme, including lift upgrading.

Under the Estate Renewal Programme, eligibility for upgrading is based on the age of the blocks. In Aljunied GRC, there are nearly 200 high- and low-rise blocks that are eligible for the Lift Upgrading Programme (LUP) and the Town Council-Lift Upgrading Programme (TC-LUP).

The criteria adopted by the Government to determine the prioritisation of eligible blocks for the LUP include the age of the blocks, achieving a good geographical distribution of the selected precincts, community bonding, the degree of support from the residents for HDB upgrading and whether or not the blocks are affected by future redevelopment plans.

PRIVATISATION OF MEDISHIELD PLUS

(Surplus funds)

6. **Mr Low Thia Khiang** asked the Minister for Health what is the Ministry's plans for the MediShield surplus contributed by members of the MediShield Plus scheme in light of its recent privatisation.