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PARLIAMENTARY DEBATES

SINGAPORE

OFFICIAL REPORT

FOURTEENTH PARLIAMENT

FIRST SESSION

Monday, 6 February 2023

The House met at 12:00 noon

VOLUME 95

NO 81

ATTENDANCE

PRESENT:

Mr SPEAKER (Mr Tan Chuan-Jin (Marine Parade)).

Mr Abdul Samad (Nominated Member).

Ms Janet Ang (Nominated Member).

Mr Ang Wei Neng (West Coast).

Mr Baey Yam Keng (Tampines), Senior Parliamentary Secretary to the Minister for Sustainability and the Environment and Minister for Transport.

Mr Chan Chun Sing (Tanjong Pagar), Minister for Education.

Miss Cheryl Chan Wei Ling (East Coast).

Mr Mark Chay (Nominated Member).

Mr Chee Hong Tat (Bishan-Toa Payoh), Senior Minister of State for Finance and Transport.

Mr Cheng Hsing Yao (Nominated Member).

Miss Cheng Li Hui (Tampines).

Mr Edward Chia Bing Hui (Holland-Bukit Timah).

Mr Chong Kee Hiong (Bishan-Toa Payoh).

Mr Desmond Choo (Tampines).

Mr Eric Chua (Tanjong Pagar), Senior Parliamentary Secretary to the Minister for Culture, Community and Youth and Minister for Social and Family Development.

Mr Chua Kheng Wee Louis (Sengkang).

Mr Darryl David (Ang Mo Kio).

Mr Christopher de Souza (Holland-Bukit Timah), Deputy Speaker.

Ms Foo Mee Har (West Coast).

Ms Grace Fu Hai Yien (Yuhua), Minister for Sustainability and the Environment.

Mr Gan Kim Yong (Chua Chu Kang), Minister for Trade and Industry.

Ms Gan Siow Huang (Marymount), Minister of State for Education and Manpower.

Mr Gan Thiam Poh (Ang Mo Kio).

Mr Gerald Giam Yean Song (Aljunied).

Mr Derrick Goh (Nee Soon).

Ms He Ting Ru (Sengkang).

Mr Heng Chee How (Jalan Besar), Senior Minister of State for Defence.

Mr Heng Swee Keat (East Coast), Deputy Prime Minister and Coordinating Minister for Economic Policies.

Prof Hoon Hian Teck (Nominated Member).

Mr Shawn Huang Wei Zhong (Jurong).

Ms Indranee Rajah (Tanjong Pagar), Minister, Prime Minister's Office and Second Minister for Finance and National Development and Leader of the House.

Mr S Iswaran (West Coast), Minister for Transport and Minister-in-charge of Trade Relations.

Dr Janil Puthucheary (Pasir Ris-Punggol), Senior Minister of State for Communications and Information and Health and Government Whip.

Dr Amy Khor Lean Suan (Hong Kah North), Senior Minister of State for Sustainability and the Environment and Transport.

Prof Koh Lian Pin (Nominated Member).

Dr Koh Poh Koon (Tampines), Senior Minister of State for Manpower and Sustainability and the Environment.

Mr Kwek Hian Chuan Henry (Kebun Baru).

Mr Desmond Lee (West Coast), Minister for National Development, Minister-in-charge of Social Services Integration.

Mr Lee Hsien Loong (Ang Mo Kio), Prime Minister.

Mr Leong Mun Wai (Non-Constituency Member).

Mr Liang Eng Hwa (Bukit Panjang).

Mr Lim Biow Chuan (Mountbatten).

Assoc Prof Jamus Jerome Lim (Sengkang).

Ms Sylvia Lim (Aljunied).

Dr Lim Wee Kiak (Sembawang).

Ms Low Yen Ling (Chua Chu Kang), Minister of State for Culture, Community and Youth and Trade and Industry.

Ms Mariam Jaafar (Sembawang).

Mr Masagos Zulkifli B M M (Tampines), Minister for Social and Family Development, Second Minister for Health and Minister-in-charge of Muslim Affairs.

Dr Mohamad Maliki Bin Osman (East Coast), Minister, Prime Minister's Office and Second Minister for Education and Foreign Affairs.

Mr Mohd Fahmi Aliman (Marine Parade).

Mr Muhamad Faisal Bin Abdul Manap (Aljunied).

Assoc Prof Dr Muhammad Faishal Ibrahim (Nee Soon), Minister of State for Home Affairs and National Development.

Mr Murali Pillai (Bukit Batok).

Ms Nadia Ahmad Samdin (Ang Mo Kio).

Dr Ng Eng Hen (Bishan-Toa Payoh), Minister for Defence.

Mr Louis Ng Kok Kwang (Nee Soon).

Ms Ng Ling Ling (Ang Mo Kio).

Miss Rachel Ong (West Coast).

Mr Ong Ye Kung (Sembawang), Minister for Health.

Ms Joan Pereira (Tanjong Pagar).

Mr Leon Perera (Aljunied).

Ms Denise Phua Lay Peng (Jalan Besar).

Ms Hazel Poa (Non-Constituency Member).

Ms Poh Li San (Sembawang).

Mr Pritam Singh (Aljunied), Leader of the Opposition.

Ms Rahayu Mahzam (Jurong), Senior Parliamentary Secretary to the Minister for Health and Minister for Law.

Mr Saktiandi Supaat (Bishan-Toa Payoh).

Mr Seah Kian Peng (Marine Parade).

Dr Shahira Abdullah (Nominated Member).

Mr K Shanmugam (Nee Soon), Minister for Home Affairs and Law.

Mr Sharael Taha (Pasir Ris-Punggol).

Ms Sim Ann (Holland-Bukit Timah), Senior Minister of State for Foreign Affairs and National Development and Deputy Government Whip.

Mr Sitoh Yih Pin (Potong Pasir).

Ms Hany Soh (Marsiling-Yew Tee).

Ms Sun Xueling (Punggol West), Minister of State for Home Affairs and Social and Family Development.

Mr Alvin Tan (Tanjong Pagar), Minister of State for Culture, Community and Youth and Trade and Industry.

Ms Carrie Tan (Nee Soon).

Mr Desmond Tan (Pasir Ris-Punggol), Minister of State, Prime Minister's Office.

Mr Tan Kiat How (East Coast), Senior Minister of State for Communications and Information and National Development.

Mr Dennis Tan Lip Fong (Hougang).

Dr Tan See Leng (Marine Parade), Minister for Manpower and Second Minister for Trade and Industry.

Ms Jessica Tan Soon Neo (East Coast), Deputy Speaker.

Dr Tan Wu Meng (Jurong).

Mr Patrick Tay Teck Guan (Pioneer).

Mr Teo Chee Hean (Pasir Ris-Punggol), Senior Minister and Coordinating Minister for National Security.

Mrs Josephine Teo (Jalan Besar), Minister for Communications and Information and Second Minister for Home Affairs.

Ms Tin Pei Ling (MacPherson).

Mr Vikram Nair (Sembawang).

Dr Vivian Balakrishnan (Holland-Bukit Timah), Minister for Foreign Affairs.

Dr Wan Rizal (Jalan Besar).

Mr Don Wee (Chua Chu Kang).

Mr Lawrence Wong (Marsiling-Yew Tee), Deputy Prime Minister and Minister for Finance.
Mr Xie Yao Quan (Jurong).
Mr Alex Yam (Marsiling-Yew Tee).
Ms Yeo Wan Ling (Pasir Ris-Punggol).
Mr Yip Hon Weng (Yio Chu Kang).
Mr Melvin Yong Yik Chye (Radin Mas).
Mr Zaqy Mohamad (Marsiling-Yew Tee), Senior Minister of State for Defence and Manpower and Deputy Leader of the House.
Mr Zhulkarnain Abdul Rahim (Chua Chu Kang).

ABSENT:

Dr Tan Yia Swam (Nominated Member).
Mr Tharman Shanmugaratnam (Jurong), Senior Minister and Coordinating Minister for Social Policies.
Mr Raj Joshua Thomas (Nominated Member).
Mr Edwin Tong Chun Fai (Marine Parade), Minister for Culture, Community and Youth and Second Minister for Law.

PERMISSION TO MEMBERS TO BE ABSENT

Under the provisions of clause 2(d) of Article 46 of the Constitution of the Republic of Singapore, the following Members have been granted permission by the Speaker to be absent from sittings of Parliament (or any Committee of Parliament to which they have been appointed) for the periods stated:

Name	From	To
	(2023)	(2023)
Miss Cheng Li Hui	12 Jan	18 Jan
Dr Tan Wu Meng	12 Jan	12 Jan
Mr Desmond Tan	14 Jan	20 Jan
Dr Vivian Balakrishnan	15 Jan	19 Jan
	03 Feb	04 Feb
Mr Desmond Lee	16 Jan	20 Jan
Mr Tharman Shanmugaratnam	17 Jan	21 Jan
	04 Feb	11 Feb
Mr Lawrence Wong	18 Jan	19 Jan
Mr S Iswaran	19 Jan	25 Jan
	30 Jan	04 Feb
	06 Feb	09 Feb
Mr Patrick Tay Teck Guan	20 Jan	24 Jan
Mr Shawn Huang Wei Zhong	20 Jan	23 Jan
	26 Jan	27 Jan
Mr Zaqy Mohamad	21 Jan	25 Jan
Mr Seah Kian Peng	24 Jan	26 Jan
Mr Edwin Tong Chun Fai	05 Feb	12 Feb
Dr Tan Yia Swam	06 Feb	07 Feb

ASSENT TO BILLS PASSED

The following Bills were assented to by the President of the Republic of Singapore on the date stated:

30 January 2023

- i. Housing and Development (Amendment) Bill
- ii. Insolvency, Restructuring and Dissolution (Amendment) Bill
- iii. Skills Development Levy (Amendment) Bill
- iv. SkillsFuture Singapore Agency (Amendment) Bill

[Mr Speaker in the Chair]

ORAL ANSWERS TO QUESTIONS

REVIEWING NEED FOR SG ARRIVAL CARD FOR RETURNING SINGAPOREANS AND RESIDENTS

1 **Mr Liang Eng Hwa** asked the Minister for Health (a) whether the Ministry will review the need for SG Arrival Card for returning Singaporeans and residents; (b) whether the information obtained from the health declaration are significant to support public health surveillance efforts; and (c) whether such information can already be obtained from data captured in the immigration and other Government systems.

The Minister for Health (Mr Ong Ye Kung): Mr Speaker, the Member asked me a supplementary question on this topic during my Ministerial Statement at the last Sitting. I do not think I gave a full nor clear answer, so, I thank him for the opportunity to answer this now.

In the course of the COVID-19 pandemic, the Ministry of Health (MOH) reviewed our need for data collection at the borders and we decided to implement the digital SG Arrival Card system for purposes of disease control. Specifically, we want to guard against importing infectious diseases of concern, such as Yellow Fever, Middle East Respiratory Syndrome (MERS) and Ebola.

The SG Arrival Card system resulted in a few changes from past practices. First, previously, only foreigners are required to submit health information on a physical card. Now, all travellers are required to submit a health declaration because all travellers are subject to the risk of infectious diseases – not just the foreign travellers.

Second, the mode of submission was digitalised – and I hope, became more convenient.

Third, the information required has been streamlined and simplified to only three questions to ascertain the risk of a traveller being infected with the current diseases of concern.

Specifically – if I may elaborate – one question was targeted at Yellow Fever transmission. Travellers at risk of Yellow Fever infection and do not have a valid relevant vaccination certificate are assessed and may be quarantined to protect against the risk of importation of Yellow Fever in Singapore. This is a serious matter for Singapore because the *Aedes aegypti* mosquito vector that spreads Yellow Fever is present in Singapore.

Another question is targeted at MERS-Coronavirus and Viral Hemorrhagic Fevers. Travelers suspected of being infected can be referred for further medical assessment and isolation if necessary.

These are dynamic information, based on their recent travel history and how they feel, and therefore, not captured in existing Government systems.

Mr Speaker: Mr Liang.

Mr Liang Eng Hwa (Bukit Panjang): Sir, I thank the Minister for the further clarification. Just two quick questions. Firstly, does the Minister envisages this to be a permanent feature, this SG Arrival Card? And secondly, even if we were to stand down this procedure, does the Ministry see the readiness to re-activate this expeditiously, to be there? Meaning, if we were to stand down and then we need to re-activate it again, can the Ministry do it in a very expeditious way?

Mr Ong Ye Kung: Thank you. The two questions are related. We reviewed this and we deemed this as a permanent feature. Of course, all features are reviewed from time to time. Yellow Fever, MERS – they have all become endemic diseases in their parts of the world. We do not want them to become endemic diseases in our part of the world, which therefore means that this is quite a permanent feature, that as of now, we feel is necessary, to prevent such diseases from coming into Singapore.

GOVERNMENT'S RESPONSE TO SPH MEDIA TRUST'S INFLATED CIRCULATION NUMBERS

2 **Mr Gerald Giam Yean Song** asked the Minister for Communications and Information regarding the Ministry's review of SPH Media Trust (SMT) following their admission of falsification of circulation data (a) what are the terms of reference of this review; (b) when did this review begin and when will it be completed; (c) what have the findings been so far; (d) whether the report will be made public; and (e) what are the conditions under which public funding to SMT will be removed or reduced.

3 **Mr Shawn Huang Wei Zhong** asked the Minister for Communications and Information with regard to the alleged inconsistencies in circulation data at SPH Media Trust (SMT) (a) what is the status of the internal investigation and when will the detailed findings be made public; (b) what are the immediate corrective actions taken; and (c) how will this affect the Government's long-term commitment to SMT.

4 **Mr Zhulkarnain Abdul Rahim** asked the Minister for Communications and Information with regard to the overstated reporting of newspaper circulation data by SPH Media Trust (SMT) (a) what is the breakdown of discrepancy in circulation numbers for each of SMT's publication titles; (b) what is the extent to which the vernacular language publications are affected; (c) whether there will be a fuller audit to cover the period of review prior to September 2020; and (d) how will the results of the audit and other investigations affect the Ministry's committed funding of SMT in the future.

5 **Mr Dennis Tan Lip Fong** asked the Minister for Communications and Information (a) whether the Ministry will require SPH Media Trust (SMT) to disclose (i) the reasons why the inconsistencies in the daily circulation numbers of SMT's publications took a long time to be discovered and made public and (ii) what is being done to strengthen governance over such matters; and (b) how will these inconsistencies impact the Government's commitment to fund SMT.

6 **Mr Chua Kheng Wee Louis** asked the Minister for Communications and Information whether the Ministry has reviewed (i) the duration which SPH Media Trust conducted the practice of over-printing, double counting of circulation numbers and then destroying these copies (ii) the impact of such practice on digital circulation (iii) the effect of this practice on its financial statements and if it was deemed material, including when it was a listed company and (iv) the undertaking of regulatory actions against current or former employees and board directors for any breaches.

7 **Mr Leong Mun Wai** asked the Minister for Communications and Information (a) when was the Government first made aware that Singapore Press Holdings Limited had inflated its circulation numbers; (b) whether the circulation numbers cited in the Ministerial Statement on 10 May 2021 were accurate; (c) when did SPH Media Trust (SMT) provide the Government with its internal report; and (d) whether the Government will present SMT's internal report and SPH Media Holdings Board's audit committee's report to Parliament for scrutiny.

8 **Mr Leon Perera** asked the Minister for Communications and Information in light of the inconsistencies in the daily circulation numbers of SPH Media Trust (SMT)'s publications, whether the Ministry will require SMT to disclose (i) the length of time for which circulation figures are falsified and (ii) if and when action had been planned to be taken by SMT and for public disclosure to be made had the news of the falsification not been released by an alternative media outlet.

9 **Mr Gerald Giam Yean Song** asked the Minister for Communications and Information (a) what was the source of the figures cited on 10 May 2021 in Parliament that SPH's newspapers' circulation had grown by 5% and The Straits Times' circulation had grown by 20% from 2017 to 2020; (b) how much bearing did this data have on the Government's decision to fund SPH Media Trust (SMT); and (c) whether the Minister still considers this data reliable in light of recent admissions by SMT.

10 **Ms Mariam Jaafar** asked the Minister for Communications and Information regarding the recent overstatement of SPH Media Trust (SMT)'s circulation numbers for its publications, whether the Ministry has reviewed the impact of SMT's position with advertisers.

11 **Mr Leong Mun Wai** asked the Minister for Communications and Information (a) whether the inflation of circulation numbers has had any material impact on Singapore Press Holdings Limited's or SPH Media Trust's financial metrics, such as gross revenue and gross profit; and (b) how will this affect the valuation of the company.

12 **Ms He Ting Ru** asked the Minister for Communications and Information what is the Ministry's assessment of the impact of the falsification of past circulation figures by Singapore Press Holdings, including the timing and manner in which the news was made public, particularly on public confidence and the credibility of SPH Media Trust's current products.

13 **Mr Pritam Singh** asked the Minister for Communications and Information (a) how does the Government determine the quantum of taxpayer subsidies allocated to SPH Media Trust each fiscal year; and (b) whether these subsidies are contingent on (i) qualitative and (ii) quantitative metrics and outcomes, respectively.

14 **Ms He Ting Ru** asked the Minister for Communications and Information (a) what actions will be taken against SPH Media Trust (SMT) to hold it accountable for the inconsistencies in the reported daily circulation data; and (b) whether there will be a review to the Government's previous announcement that it will fund SMT and provide up to \$900 million in funding support over the next five years.

15 **Ms Jessica Tan Soon Neo** asked the Minister for Communications and Information what is the outcome of the Ministry's review of its funding for SPH Media Trust (SMT), in light of the findings in SMT's internal review of circulation numbers of its publications.

16 **Mr Don Wee** asked the Minister for Communications and Information whether the Government will adjust the grant given to SPH Media Trust (SMT) as the Government's commitment to fund SMT is predicated on inflated circulation data.

17 **Mr Edward Chia Bing Hui** asked the Minister for Communications and Information (a) how will the Ministry review its formula to fund SPH Media Trust in light of the inconsistencies in circulation data; (b) to what extent will this review be shared publicly including the names of individuals who are found to have engaged in deceptive behaviours and the relevant follow-up actions taken.

18 **Ms He Ting Ru** asked the Minister for Communications and Information (a) whether individuals involved in initiating and perpetuating the inflated circulation figures in SPH Media Trust have been referred to the Police for further investigation; and (b) if so, how many have been referred to the Police for further investigation.

The Minister for Communications and Information (Mrs Josephine Teo): Mr Speaker, may I seek your permission to address Question Nos 2 to 18 in today's Order Paper, as well as related written Question Nos 33 and 34 together?

Mr Speaker: Please proceed.

Mrs Josephine Teo: I will also address the related matters raised in the questions by Mr Darryl David,¹ Mr Gerald Giam,² Ms Hazel Poa and Dr Wan Rizal,³ which are scheduled for a subsequent Sitting. I invite Members to seek clarifications, if need be, at this Sitting.

Members have asked about the internal review of circulation numbers by SPH Media Trust (SMT). The following is what we have been told by SMT, all of which is on public record.

After the transfer of the media business from Singapore Press Holdings Limited (SPHL) to SMT in December 2021, SMT started a review to assess the data that it had taken over. This included circulation data.

SPHL's previous annual reports set out circulation data. These were stated to be in accordance with rules established by the Audit Bureau of Media Consumption Singapore (ABC).

Over time, quantifying print circulation became less relevant and ABC ceased operations in Singapore in 2019.

As many other publishers have done, SMT decided to reassess the methodology for reporting circulation data so as to establish a new measurement framework and baseline. The circulation data they reviewed covered the period September 2020 to March 2022.

In its review, SMT found that circulation numbers in some months during the period under review were overstated by up to 90,000 average daily copies.

Sir, these events took place before SMT was formed, when the media business was under SPHL, a private listed company. However, this discrepancy has impacted SMT, including the newsrooms and journalists. SMT's Board and management have decided to investigate the matter fully. They will have to rectify what needs to be rectified and be transparent about how they proceed.

From the Government's perspective, we have three core interests in this matter: first, the usage of public funds; second, whether SMT's findings on circulation affect the Government's assessment of the need to provide funding support to SMT; and third, if we continue to assess that funding support is needed, whether the amount of funding should be revised.

Mr Speaker, I will discuss these three core interests in turn.

Parliament was informed in May 2021 that the Government supported the restructuring of SPHL's media business into SMT. Subsequently, in February 2022, Parliament was informed of the funding that the Government was prepared to commit to support SMT's capability development for five financial years, from FY2022.

Up to now, we have not disbursed any funds. Moreover, the Government did not have a funding relationship with SMT before FY2022. Therefore, the findings of SMT's internal review of circulation data from September 2020 to March 2022 have no bearing on public funds.

Second, do the findings of SMT's internal review affect the Government's assessment of the need to provide funding support? This is what MCI's own review sought to answer – and what Ms Jessica Tan, Mr Darryl David, Mr Don Wee, Mr Gerald Giam and others have asked about.

MCI's review started after SMT shared its internal report with the Government on 9 January 2023. We re-examined our analysis of the media landscape in early 2021, when the decision was taken to support the restructuring of SPHL's media business into SMT. We also reviewed our reasons for committing public funds to support SMT's capability development.

SMT's internal review of circulation numbers reinforced our assessment that the media landscape had become highly unfavourable for news organisations, even if they had substantial reach and were trusted by the public. In particular, demand for print and digital subscriptions had weakened because news had become freely available. This is why circulation had come under pressure.

I emphasise: this does not make it right for anyone to overstate circulation numbers. But it reaffirms the need for restructuring.

On the reasons to commit Government funds to support SMT, Members will recall that the Government had set these out on two occasions in Parliament. The first was through a Ministerial Statement in May 2021 by Minister Iswaran who was then Minister for Communications and Information. The second was in February 2022 when I responded to several Parliamentary Questions.

It is useful to remind ourselves of the key reasons laid out on both occasions.

The first reason is that our local news media is at a watershed. Structural changes, technological advances and the Internet have severely disrupted the media industry which traditionally relied on print advertising revenue.

But moving to digital poses its own set of challenges. Our local news media face intense competition for eyeballs online. Moreover, the cost of running professional newsrooms often outstrips the revenue from an online model. Although digital advertising revenue has increased, a large share of it goes to Big Tech companies like Google and Meta.

The second reason is that preserving local news media serves a larger, longer-term public interest. They give voice to the Singapore identity and Singaporean perspectives. They report world news for Singaporeans by Singaporeans. This is important given that the Internet has made it exceedingly easy for foreign news and content producers to reach and influence our domestic audiences.

In addition, there are the local vernacular news outlets, which are critical in preserving the voices of our multiracial communities. We must support them even though vernacular products are difficult to sustain financially, given their inherently smaller readership or viewership.

The third reason is that in a crowded information space where anyone and everyone can be a publisher, citizens must have sources which they can trust to be accurate and objective. We saw how important this was during the COVID-19 pandemic. Our mainstream media including SMT played crucial roles conveying accurate information in a timely fashion.

Based on an MCI survey, more than 70% of respondents accessed SMT's digital content at least a few times a week in 2021, a jump of almost 30% since 2018. The Reuters Institute Digital News Report indicated that 77% of respondents expressed trust in The Straits Times in 2021, up from 70% in 2018.

The public has continued to choose and trust SMT's products. We need to keep these products as viable propositions so our people can continue to benefit from the public good of quality journalism.

But staying in this game – and hopefully, getting ahead – requires deep investment in tech, infrastructure and capabilities. For example, The New York Times and German publishing giant Axel Springer have all run up hundreds of millions in investments to go digital. With the steep global decline of print media, the Government support to accelerate SMT's transformation will give it a fighting chance in a highly competitive digital space.

Mr Speaker, these reasons for supporting SMT remain valid today. And this brings us to the third question: whether the findings of SMT's review of the circulation numbers should affect the amount of funding committed.

Mr Speaker, in February 2022, I informed Parliament that the Government had assessed that it would provide up to \$180 million of public funds annually to support SMT's transformation for five years, starting from FY2022.

The funds would be used for technology development – for example, product development for the digital space, newsroom tools like content management resources and data analytics as well as IT infrastructure.

They would also be used for talent development – training journalists for the new operating environment, including equipping them with digital skills and multimedia capabilities.

The funds would be used also for the preservation of vernacular media – sustaining the vernacular newsrooms and developing new content formats like videos and podcasts to reach younger audiences.

I had also informed Parliament that in its initial years, we expect SMT to spend approximately 40% of the funding on tech investments and digital talent. The remainder will be spent on newsroom capability building and training, in particular, of the vernacular newsrooms.

As Members can see, in assessing the funding required for SMT's transformation, circulation numbers were not a key consideration. The level of funding previously assessed for the purposes of investing in technology and capability development remain valid.

Let me now talk about ensuring accountability.

When Government funding is given, SMT will be held to account. Our focus is on readership and reach, which measure how many people consume the content; and not circulation, which is how many print and digital copies are sold or distributed.

Readership and reach are measured through surveys done by third parties. SPHL had previously commissioned surveys conducted by third-party research agencies such as GfK. MCI had also independently verified readership and reach using data sources outside of SPHL and SMT, including data collected by the Reuters Institute of Oxford University and our own News Consumption Surveys. We also have in place conditions and safeguards to ensure that public funding is used in an accountable and responsible manner.

I informed Parliament last year about the Key Performance Indicators (KPIs) we would be applying, including (a) total reach and engagement of SMT's products, with a focus on their digital platforms; and (b) specific reach indicators for vernacular groups and youths.

The achievement of the KPIs will determine the amount of funding SMT receives. SMT's KPI performance and financial statements must be audited by independent external auditors before submission to the Government. The Government can also conduct its own audits of SMT.

I further shared that SMT would be required to provide progress updates to MCI on a half-yearly basis. Specifically, funding will only be disbursed if SMT provides satisfactory regular updates on where and how funding has been utilised, and future business plans. The Government will also review the funding quantum during the mid-term and adjust KPIs and funding where necessary.

Mr Speaker, I have explained the Government's key concerns with respect to SMT's findings from its review of circulation data. Specifically, no public monies have been lost; there is no change to the decision to provide funding support to SMT; and there is no change to the amount of funding for SMT.

Let me now turn to other questions Members have raised.

Mr Leong Mun Wai asked if the Government had independently audited the financial statements and other data provided by SPHL as part of its due diligence process before making the decision to grant it public funding. The answer is yes. Our focus was on reach and readership, as I explained earlier.

Mr Gerald Giam and Mr Leong asked about the circulation figures cited by Minister Iswaran in May 2021. As the figures cited were for 2017 to 2020, a time outside the period of SMT's review, we cannot conclude that they were inaccurate.

There were other questions about the details of SMT's review, including (a) the duration and financial implications of the overstated circulation numbers; (b) the manner, timing and extent to which SMT discloses details of its review; and (c) police investigations.

The Members' concerns are valid and these questions should be addressed to SMT. This includes the corporate culture Ms Hazel Poa asked about as well as SMT's position with advertisers, as noted by Ms Mariam Jaafar.

SMT has its own corporate governance and executive team. Their CEO is accountable to their Board, which is in turn accountable to the members of the CLG. The Government cannot speak on behalf of SMT and it is premature for us to say more at this juncture. This is especially as the Board has tasked its Audit and Risk Committee to conduct further investigations into the circulation discrepancy.

The Government welcomes the Board's resolve to examine the findings of its internal review and to put SMT on the right footing. MCI expects SMT to share the findings of its Audit and Risk Committee's investigation with us.

SMT's Board and management must also be mindful of their public duties, their responsibility to maintain the public's trust in their newsrooms and journalists, and the need to discharge these responsibilities in a diligent and timely manner.

Mr Speaker: Ms Jessica Tan.

Ms Jessica Tan Soon Neo (East Coast): Thank you, Mr Speaker. I thank the Minister for reiterating the rationale as well as the position of the Ministry with regard to the funding on the question I asked. I understand that no funding has been released to SMT yet, but when will the first tranche for FY2022 be released in light of the current situation?

Mrs Josephine Teo: Mr Speaker, the funding agreement is close to being concluded. And once we are satisfied that the KPIs have been properly set as well as the safeguards that I had explained earlier have been properly included in the agreement, we will release the funding.

Mr Speaker: Mr Gerald Giam.

Mr Gerald Giam Yean Song (Aljunied): I thank the Minister for her reply. I note the Minister said in response to my question that the Government cannot confirm if the figures reported before the period of review in September 2020 are accurate, but can she confirm that the figure cited by Minister Iswaran were accurate? And secondly, was the inflation of circulation figures a long-standing practise that did not raise eyebrows until the new management came in?

Mrs Josephine Teo: Mr Speaker, we do not know. These questions that the Member posed may be better addressed after the Audit and Risk Committee completes its investigation and shares its findings with us. Until then, I would not speculate.

Mr Speaker: Mr Zhulkarnain Abdul Rahim.

Mr Zhulkarnain Abdul Rahim (Chua Chu Kang): Thank you, Mr Speaker. I thank the Minister for the clarifications. I had asked about the vernacular languages and I am quite concerned about the hard work that our local journalists have put in. So, I am quite comforted by the fact that we are sticking by the decision because the principle and reason have not changed despite the issues.

What I would like to ask is this: in the event that the further audit or investigation findings reveal any exposure to whether be it criminal sanctions or civil liabilities to other third parties, what are the steps that the Ministry would take to ring-fence our future funding to SMT in order to make sure or ensure that the funding will be committed to the purposes that it has been given?

Mrs Josephine Teo: Mr Speaker, I thank the Member for his question. Until the Audit and Risk Committee completes its investigation and shares its findings with us, I will not pre-judge the outcome.

If there is any evidence of laws having been broken, it will be the obligation of SMT to refer the matter to the Police.

Even in those circumstances, we will have to look at what specifics have been revealed in order to assess the funding that the Government has committed to provide. There are safeguards in place and we will exercise them as necessary. But as it stands right now, our commitment to fund the capability development of SMT does not change. Our level of funding is also assessed to remain valid.

Mr Speaker: Mr Louis Chua.

Mr Chua Kheng Wee Louis (Sengkang): Thank you, Mr Speaker. My supplementary question is on my Parliamentary Question (PQ) in which I asked the effect of this practice on its financial statements and subsequently, the undertaking of regulatory actions against current and former employees, as well as the Board. The reason I ask is because circulation revenues will be impacted; that is the most direct one. And I think this is also something which happened during the time when SPH was a listed company and would be subject to the various market rules under the SGX, and this is obviously information which is relied on by advertisers as well as various capital market participants alike.

Mrs Josephine Teo: Mr Speaker, on the Member's question on financial impact, the answer is we do not know. And that is the reason why the SMT Board has decided to ask its Audit and Risk Committee to investigate the matter more fully. And until they have completed their work and shared their findings, I think everything else that we say is speculative.

Mr Speaker: Mr Don Wee.

Mr Don Wee (Chua Chu Kang): Thank you, Speaker. In Mandarin.

(In Mandarin): [Please refer to [Vernacular Speech](#).] I would like to ask the Minister even if newspaper circulation is not the primary concern here, what measures does the Ministry have to prevent such undesirable behaviours from happening again in future?

Mrs Josephine Teo: Mr Speaker, may I have your permission to reply in English, for the benefit of our colleagues?

The circulation numbers may not have been our key consideration in providing funding, but the overstatement of these numbers is not right. SMT's Board as well as its management are aware of it and they are the ones that want to put things right by convening a further review by their Audit and Risk Committee. Keep in mind that these discrepancies were uncovered as a result of an internal review that was initiated by the SMT management in the first place.

So, I think it is clear that the intent of the SMT Board as well as its management to put things on the right footing; and we should support them in this process.

Mr Speaker: Ms Hazel Poa.

Ms Hazel Poa (Non-Constituency Member): One of the roles of a news media is to expose wrongdoing. In this case, we have SMT discovering its own wrongdoing but not breaking the news themselves. Did the Minister seek an explanation from SMT why they did not break the news themselves but instead waited for an online news media platform to break it; and then responded?

Mrs Josephine Teo: Mr Speaker, on a day-to-day basis, many things happen in an organisation and it is up to the management to decide if and how each particular event or incident ought to be communicated, both within the organisation and outside the organisation. Keep in mind that this review was initiated by SMT and they were still in process. In fact, they have decided that they need to investigate more fully and that is why they have asked their own Audit and Risk Committee to take on this work on an extended basis. Should the manner in which they had communicated been approached differently? I think that is a matter that SMT, the management and the Board, will have to consider.

Mr Speaker: Ms He Ting Ru.

Ms He Ting Ru (Sengkang): Thank you, Mr Speaker. I note from the Minister's reply that the investigation is still pending. However, I just wanted to ask the Minister – the matter of trust in SMT that the Minister mentioned earlier is really important, so the question is whether has any trust been broken? What is the Ministry's assessment of whether the trust has been broken, the extent to which trust has been broken and whether or not there is going to be any steps taken in the interim to restore any public trust in the organisation?

After all, people might be thinking, if the organisation goes to such lengths to falsify circulation figures such as even pulping newspapers, would we still be able to trust the content as delivered by these organisations?

Mrs Josephine Teo: Mr Speaker, I would be careful about the terms that we use to describe SMT, its management or its actions. Until the Audit and Risk Committee completes its investigation and shares its findings, I will not pre-judge the outcome. I also made clear our expectations of SMT earlier in my reply to the Parliamentary Questions (PQs). The board will have to share the Audit and Risk Committee's findings with MCI after it has completed its investigation and rectify what needs to be rectified. What needs to be rectified, that is still not known yet.

The Board is accountable to the members of the Company Limited by Guarantee, but they also have a responsibility to let the public know how they intend to proceed. I think this responsibility is not lost on them. If there was any doubt that they did not take this matter seriously, I do not see why they would have convened another review by their own Audit and Risk Committee.

Mr Speaker: Mr Leong Mun Wai.

Mr Leong Mun Wai (Non-Constituency Member): Thank you, Mr Speaker. Can I ask the Minister this: senior management accountability is very important. Is the Ministry pursuing the senior management of the former SPH Holdings, with regard to the falsification of circulation data? I think the Minister would agree that they actually have the responsibility because in the run-up to the taking over by the Government, the data would have some bearings on the amount of compensation that SPH Holdings should give to the Government. And although the Minister said the Government has not disbursed any money so far, but there are still implications that maybe in the past, the Government should have asked for more money from SPH.

My second question is: although the Minister said that the main due diligence done by the Ministry is on the readership and reach, but circulation data definitely is also an important area. Is there inadequate due diligence done by the Ministry and how will the Ministry pursue that further?

Mrs Josephine Teo: Mr Speaker, on Mr Leong's first set of questions, I would humbly and respectfully refer him to the Hansard for my full reply. I believe I had addressed why the Government's own review has led us to the conclusion that the reasons for funding SMT's capability development remain valid and also why the levels of funding that we have decided upon remain valid.

Just a quick recap, we are focused on technology development, talent development and the strengthening of the vernacular newsrooms. Should these be affected by the findings of the Audit and Risk Committee, at this stage, it is too early to say. I will not pre-judge.

On his second point, if the decisions that were taken earlier remain valid, why do you say that the due diligence was not done as it should?

Mr Speaker: Mr Leong Mun Wai.

Mr Leong Mun Wai: Thank you, Mr Speaker. On the due diligence, what I said is that the due diligence should also cover circulation data. If the Ministry had not discovered that in its first due diligence, then we can say there is a certain amount of inadequate due diligence being done at first. This is my first point to the second question.

On my first question, I am not talking about the justification of whether the Government should spend the \$900 million or not. I am saying that the Government may have the reasons to spend \$900 million dollars, which you have explained. But what I am asking is, when the Government takes over the baby from SPH, should the Government not have asked for more money if the Government had known that the circulation data was falsified?

Mrs Josephine Teo: I thank the Member for his question. Perhaps, I would ask the Member – if the circulation data was in fact lower than what has been reported, would the compensation numbers received by SMT when the transfer took over, would that not be lower than they got? That actually goes against what you are trying to ask for.

In any case, I think the nub of what Mr Leong has suggested is this: somehow, there was an inadequacy in our due diligence. I go back to this point: in hindsight, you can always find elements that could have been done differently. But let us come back to our review and the conclusion of that review. The conclusion of that review is that the reasons for funding SMT remain valid and the level of funding that we have set aside will not change. If you go by the outcomes of the review, I think the process speaks for itself whatever it is that we have put in place prior to making the decision to fund SMT and then thereafter, deciding on the amount.

Mr Speaker: Mr Gerald Giam.

Mr Gerald Giam Yean Song (Aljunied): Mr Speaker, I believe my question about what is the total number of newspaper copies that were printed and counted and destroyed by SPH Media and its predecessor company; the total weight of the paper and what are the environmental impact of these actions – these were not answered just now by the Minister.

Mrs Josephine Teo: Mr Speaker, on the specifics of how many copies were involved and so on, I believe this is better addressed after the Audit and Risk Committee has completed its investigation. At this stage, we do not know. On environmental impact, MCI recognises its importance but we are not in a position to respond to it authoritatively.

Mr Speaker: Mr Leong.

Mr Leong Mun Wai: Mr Speaker, I think that Minister's reply to me just now defies financial logic. When we take over the media operations from SPH and we know from the beginning that the circulation number is lower than what we have expected, we would have asked for more compensation. That is a logical way of looking at financial deals between the two entities. Would she not agree to that?

Mrs Josephine Teo: Mr Speaker, I am afraid I cannot agree with Mr Leong on that. If something is worth less and I have to take over something that is worth less, surely I cannot be expected to be provided more compensation.

The one who defies financial logic is yourself, I am afraid, Mr Leong. But I leave it at this.

In any case, let us come back to the nub of the questions and the public interest in this. At the end of the day, we have to ask ourselves: is the amount that we have decided to fund SMT's capability development the right amount? Regardless of what has been provided to SMT by its predecessor, SPHL, those considerations that I outlined in my reply remain valid.

Note(s) to Question No(s) 2-18:

¹ To ask the Minister for Communications and Information (a) whether the Government can provide some insight from the internal report received from SPH Media Trust (SMT) regarding the alleged inconsistencies in the circulation data of their publications; and (b) how will these inconsistencies impact the Government's commitment to fund SMT.

² To ask the Minister for Communications and Information (a) what is the total number of newspaper copies that were printed, counted and destroyed by SPH Media Trust or its predecessor company for the entire duration of the scheme to inflate circulation numbers; (b) what is the estimated total weight of paper used; and (c) what is the environmental impact of these actions.

³ To ask the Minister for Communications and Information (a) whether the Ministry can provide insights from the internal report received from SPH Media Trust (SMT) regarding the alleged inconsistencies in its circulation data; and (b) whether the Ministry can provide an update on its review on whether the inconsistencies in SMT's circulation data would have affected the decision to fund SMT and the amount of funding committed by the Government.

STUDENTS USING ARTIFICIAL INTELLIGENCE TECHNOLOGIES FOR EXAMS AND ASSIGNMENTS

19 **Dr Tan Wu Meng** asked the Minister for Education (a) whether artificial intelligence (AI) technologies such as ChatGPT are expected to affect student coursework and open-book assessments and, if so, how; (b) what challenges and opportunities exist in the educational and skills landscape due to the rise of such AI; and (c) what is being done to inculcate life skills, soft skills, and other competencies so that human workers can remain competitive and relevant amidst a landscape encompassing international competition and AI advancements.

20 **Dr Wan Rizal** asked the Minister for Education (a) whether there are cases of cheating among students in schools and Institutes of Higher Learning in relation to the artificial intelligence chatbot ChatGPT; and (b) what measures are put in place to detect plagiarism.

21 **Dr Lim Wee Kiak** asked the Minister for Education (a) whether the Ministry is studying the trend of the use of Artificial Intelligence (AI) technology among international student bodies to cheat in exams and assignments; (b) whether similar instances have happened locally; (c) how does the Ministry plan to address this issue in Singapore's education system; and (d) how will the Ministry guide educators to

harness the use of AI to enhance learning while ensuring that students do not misuse AI technology for cheating or any other unethical behaviour.

22 **Dr Shahira Abdullah** asked the Minister for Education what are schools doing to prevent potential abuses of artificial intelligence chatbots such as ChatGPT.

The Minister for Education (Mr Chan Chun Sing): Mr Speaker, Sir, may I have your permission to take the Question Nos 19 to 22 together, please.

Mr Speaker: Please do.

Mr Chan Chun Sing: Mr Speaker, Sir, Members have asked how the Ministry of Education (MOE) plans to address the use of ChatGPT and similar Artificial Intelligence (AI) technologies in schools and Institutes of Higher Learning (IHLs), and in particular, how MOE will prevent students from misusing ChatGPT.

Mr Speaker, let me first say this: as with any technology, ChatGPT and similar generative AI tools present both opportunities and challenges to users. Both challenges and opportunities.

These technologies are in our midst and will become more pervasive over time. Therefore, MOE provides educators in schools and IHLs with guidance and resources to effectively harness it to enhance learning. There are also professional discussion groups amongst our educators to explore its use in the education setting.

At the same time, our educators will still teach students to understand fundamental concepts and guide students against developing an over-reliance on technological tools.

For example, just like how a calculator supports students' capacity for learning mathematics but that does not replace the need for our students to first master basic mathematical operations. ChatGPT can be a useful tool for learning only when students have mastered basic concepts and thinking skills. In a more uncertain world, we must also teach our students to embrace and learn to work with tools in the new normal that have a range of outcomes beyond a deterministic outcome like a calculator. This would extend to AI tools that will increase in pervasiveness and may not provide only deterministic answers.

Our educators will also help students understand how AI tools like ChatGPT work. As ChatGPT can provide inaccurate or biased output depending on its inputs, students need to be discerning and critically assess its output for accuracy and objectivity.

Schools and IHLs adopt a range of practices to guard against misuse of this technology. In their daily work, students are taught the importance of integrity and the harmful impact and consequences of plagiarism. In addition, teachers use multiple modes of assessment to gauge students' proficiency and detect uncharacteristic responses that could be AI-generated content.

Our IHLs have varied modes of assessment including examinations, presentations and projects that require analysis, field notes and observational details that cannot be generated easily by AI technology. A wide variety of strategies are adopted to detect plagiarism in assignments, including technological tools to detect content generated by AI technology. These approaches will necessarily evolve over time.

Our schools equip students with important skills such as assimilating concepts and applying them to new and dynamic situations, self-directed and collaborative learning, inventive thinking, relationship management and cross-cultural skills. These skills are not easily replaced by technological tools and acquired through leadership roles, interdisciplinary project work and various forms of experiential learning.

And I must emphasise this, in this new world, the critical skill for our students to acquire are: how to discover, distil and to discern and if possible, create or develop something new in the process. All these efforts are sustained as students enter our IHLs, where the curriculum has also been enhanced to help students develop baseline digital competencies, as well as life skills to better navigate work and adulthood. Our schools and IHLs will continue to equip students with digital competencies and values to enable them to harness technology confidently and responsibly.

And finally, Mr Speaker, Sir, for the record, this answer has been provided by my hardworking MOE officers and not by ChatGPT. [*Laughter.*]

Mr Speaker: Dr Wan Rizal.

Dr Wan Rizal (Jalan Besar): Mr Speaker, thank you. I would like to thank the Minister for sharing the positives and negatives of ChatGPT. To be honest, when I started writing the Parliamentary Question (PQ), I was concerned with ChatGPT being used pervasively by students and giving them an advantage. But over time, after using it myself extensively and testing it against my essay questions and seeing how it can be caught for plagiarism, I understand that it is quite important that we teach our students the importance of using AI-related tools. I think that this is the wave that we should embark on.

I would like to ask the Minister: would the Ministry consider having courses that would encourage people to make use of AI-related tools for their work in the future?

Mr Chan Chun Sing: Mr Speaker, Sir. The answer is yes. Indeed, we have a plan and we are already conducting courses for our educators to help them understand both the potential and the challenges of such AI technologies. We have discussion groups within the professional community on how to harness the potential of such technologies for us to improve the education system.

Similarly, we would also like to equip our students with the skillsets to learn how to use this responsibly. Because as I have mentioned, in the new world, it is not just about trying to find a deterministic answer like learning how to use a calculator, where one plus one always equals to two. In the new world, we need to be able to work with a range of possible outcomes and consider them holistically. That is why, I have been emphasising to all my students and teachers that the new skillsets for us in this generation is learning how to discover, to distil and finally, to discern. And if possible, to develop or create something new in the process because our value-add today is not about trying to answer yesterday's problems with yesterday's answer. Our value-add is how to create tomorrow's solutions for tomorrow's challenges ahead of time. These are new skillsets that we must all acquire and help our students to acquire.

Mr Speaker: Dr Lim Wee Kiak.

Dr Lim Wee Kiak (Sembawang): Thank you, Sir. I would like to ask the Minister one supplementary question regarding whether the policy governing the use of AI, especially in relation to cheating, is very clearly spelled out now for all the schools? And do the students know this as well? In what way has the communication been done? And finally, have any cases been detected so far and what are the penalties?

Mr Chan Chun Sing: Mr Speaker, Sir. The answer to Dr Lim's question is this: cheating is cheating. Cheating is not tolerated in any of our education institutions. Cheating may take the form of conventional cheating or cheating may take new forms, like that enabled by new technologies.

So, this is always an evergreen challenge that we have to overcome. But it requires two parts in the solutioning. The first part is how to detect cheating is our examinations, tests and so forth. And that is, again, a bit like a "cat and mouse" game where if you improve your technologies, the other side may also try to come up with other new and innovation ways. But that is the technical aspect. I think the more important aspect is how we educate our people to understand the fundamental values, hold on to the fundamental values, how we impart them the values such that they understand why they are doing what they are doing.

In the learning process, it is not about coming out with an answer to give the answer and submit it to the teachers or to the examination board. What is more important is also the process of trying to get to the answer and how you derive that answer. And if some tools can help you to derive a better answer, so be it. But we expect all our students to declare, truthfully, where their sources of information may come from. And even then, they must be able to go back to the three "D"s that I mentioned: discover, distil and discern. And that, must not change.

FINDINGS FROM KEPPEL OFFSHORE & MARINE CORRUPTION PROBE

23 **Dr Tan Wu Meng** asked the Prime Minister with regard to the stern warnings issued to six former staff of Keppel Offshore & Marine Limited (a) whether the reasons for issuing stern warnings in lieu of prosecution for offences punishable under the Prevention of Corruption Act 1960 can be elaborated upon; and (b) what is the assessed reputation damage to Singapore arising from the case.

24 **Mr Murali Pillai** asked the Prime Minister regarding CPIB's decision not to prosecute six former employees of Keppel Offshore & Marine Limited (KOM) due to evidentiary difficulties (a) whether the statement of facts which KOM agreed to as part of a plea agreement with the United States Department of Justice and the admissions made in the United States proceedings by KOM's former legal counsel who is based in Singapore were considered; and (b) if so, why were these considered as insufficient in overcoming the said difficulties.

25 **Mr Pritam Singh** asked the Prime Minister what specific difficulties were faced by the Attorney-General's Chambers and Corrupt Practices Investigation Bureau in considering whether to prefer charges against the officers of Keppel Offshore & Marine Limited (KOM) over corrupt payments from KOM to Petrobras and Sete Brasil in Brazil from 2001 to 2014, despite KOM's admissions under both the Deferred Prosecution Agreement with the US Department of Justice and the Brazilian leniency agreement.

26 **Mr Gerald Giam Yean Song** asked the Prime Minister why the statement of facts contained in the Deferred Prosecution Agreement concluded between Keppel Offshore & Marine Limited with the United States Department of Justice dated 22 December 2017 is not considered sufficient, available, and appropriate evidence of the six former senior management staff's culpability for them to be charged with corruption in Singapore.

27 **Ms Hazel Poa** asked the Prime Minister what information or evidence can be given to reassure the public that the decision not to prosecute the six former staff of Keppel Offshore & Marine Limited involved in the S\$73 million bribe payments case has nothing to do with their connections and that this is not an example of cronyism.

28 **Ms Hazel Poa** asked the Prime Minister whether other agencies apart from the Corrupt Practices Investigation Bureau and Attorney-General's Chambers, have been consulted on the issue of the appropriate action to be taken on former staff of Keppel Offshore & Marine Limited who are involved in bribe payments and, if so, what are those views.

29 **Mr Chua Kheng Wee Louis** asked the Prime Minister based on investigations into the Keppel Offshore & Marine Limited corruption case conducted by CPIB (a) what are the offences under the Prevention of Corruption Act 1960 (PCA) that were considered for prosecution for the six individuals; and (b) what is the maximum penalty for these offences under the PCA.

30 **Mr Chua Kheng Wee Louis** asked the Prime Minister in deciding against prosecuting the six individuals involved in the Keppel Offshore & Marine Limited corruption case (a) what weightage has been given to the various relevant factors such as the culpability of each individual, the available evidence and what is appropriate in the circumstances; and (b) whether this is consistent with the Government's political commitment and leadership and a culture of zero tolerance against corruption.

31 **Mr Murali Pillai** asked the Prime Minister regarding CPIB's investigation of six former employees of Keppel Offshore & Marine Limited (KOM) for the bribery of Petroleo Brasileiro SA (Petrobras) officials (a) whether KOM's parent company then, any officer of the parent company at the material time or any other entity or person was investigated for facilitating the bribery of Petrobras officials under the Prevention of Corruption Act 1960; (b) if so, what are the findings from the investigations; and (c) what is the conclusion from these investigations.

32 **Ms Sylvia Lim** asked the Prime Minister whether the Corrupt Practices Investigation Bureau's investigations into the bribery scheme by Keppel Offshore & Marine Limited (KOM) to obtain contracts from Petrobras and Sete Brasil in Brazil from 2001 to 2014 show that, apart from the six persons issued warnings by the Bureau, there were officials higher up the hierarchy of KOM who were aware of, or were wilfully ignorant of, the bribery scheme before or during its lifespan.

33 **Dr Tan Wu Meng** asked the Prime Minister since 2000, how many (i) warnings (ii) stern warnings and (iii) prosecutions have been initiated by the Corrupt Practices Investigation Bureau.

34 **Mr Yip Hon Weng** asked the Prime Minister regarding the recent case where the CPIB issued stern warnings to six former employees of Keppel Offshore & Marine Limited for bribery offences (a) what is the Government's response to concerns that the penalty is too light, as some offenders have been jailed for much smaller sums of money; and (b) in view of the multinational nature of the alleged transactions, what measures can be taken to improve the deterrence and prosecution of such cross-boundary corruption.

35 **Mr Leon Perera** asked the Prime Minister how will the decision not to prosecute the six individuals who were involved in the Keppel Offshore & Marine Limited corruption case in Brazil likely to affect the reputation of Singapore and Singaporean companies for having a policy of zero tolerance towards corruption.

36 **Mr Leon Perera** asked the Prime Minister (a) whether the decision not to prosecute the six individuals who are involved in the Keppel Offshore & Marine Limited corruption case in Brazil represents a departure from the Government's stated stance of zero tolerance towards corruption; and (b) whether the said decision will have an impact on deterring Singaporeans at home or abroad from committing corrupt acts in a manner that makes prosecution similarly difficult.

37 **Ms Hazel Poa** asked the Prime Minister (a) whether zero tolerance on corruption remains to be the Government's position; and (b) if so, whether the decision to issue stern warnings to the six individuals who were formerly senior management staff of Keppel Offshore & Marine Limited involved in the bribery case undermines that position and signals a lack of political will to stamp out corruption.

38 **Mr Murali Pillai** asked the Prime Minister what is CPIB's policy in determining the circumstances in which it will investigate foreign bribery cases involving Singapore citizens as provided for in section 37 of the Prevention of Corruption Act 1960.

39 **Mr Zhulkarnain Abdul Rahim** asked the Prime Minister in light of the conditional warning in lieu of prosecution against six former senior management staff of Keppel Offshore & Marine Limited over bribe payments, whether the Government will consider amending the Prevention of Corruption Act 1960 to expand the powers of the CPIB to facilitate investigations outside of jurisdiction and the available penalties to include compounding offences with profit disgorgement or restitution for appropriate cases.

The Minister, Prime Minister's Office (Ms Indranee Rajah) (for the Prime Minister): Mr Speaker, Sir, may I have your permission to take Question Nos 23 to 39 in the Order Paper together?

Mr Speaker: Yes, please.

Ms Indranee Rajah: Thank you, Mr Speaker. My response to these Parliamentary Questions would also effectively address the Parliamentary Questions (PQs) by Members Ms Hazel Poa and Ms He Ting Ru for written answer today; and the PQs by Members Mr Dennis Tan, Mr Gerald Giam, Dr Wan Rizal¹ and Ms Poa² scheduled for subsequent Sittings. The Members may wish to raise any supplementary questions arising therefrom and withdraw the PQs for later Sittings which are answered today.

Mr Speaker, the questions arise from the Public Prosecutor (PP)'s, decision to issue stern warnings to six former senior management staff from Keppel Offshore & Marine Limited (KOM), some of whom used to work at KOM's wholly-owned US subsidiary at relevant times.

The questions raised by Members fall into the following broad categories:

(a) why were the six individuals issued with stern warnings instead of being prosecuted;

(b) whether, and if so why, the Deferred Prosecution Agreement (DPA) and the accompanying Statement of Facts (SOF) are insufficient to mount a prosecution;

(c) details of the investigations or decision to issue stern warnings;

(d) why the six individuals in question were not named and whether they should be;

(e) statistics on stern warnings and prosecutions;

(f) whether the decision to issue stern warnings, instead of prosecuting, will affect our zero tolerance stance on corruption and reputation;

(g) corruption in foreign jurisdictions; and

(h) sufficiency of the Prevention of Corruption Act (PCA).

Before I answer these questions, let me deal with a preliminary point. There has been a fair bit of speculation on why the Corrupt Practices Investigation Bureau (CPIB) did not issue a fuller statement or why the Government is dealing with the matter in Parliament, which is based on a lack of understanding of how these matters are usually dealt with.

First, CPIB had explained the reasons for its decision in its press release. With your leave, Mr Speaker, may I ask the Clerks to distribute copies of the press release to Members?

Mr Speaker: Please do. [*Handouts were distributed to hon Members.*]

Ms Indranee Rajah: Members may also access the handout through the SGParl MP mobile app. You would see, at paragraph 5, that CPIB explained: "This case is complex and transnational, involving multiple authorities and witnesses from several countries. There are evidentiary difficulties in cases of such nature. Many of the documents are located in different jurisdictions. In addition, key witnesses are located outside of Singapore and cannot be compelled to give evidence here. The decision whether to prosecute the six individuals for criminal offences has to take into consideration all relevant factors, such as the culpability of each individual, the available evidence and what is appropriate in the circumstances. Having taken these into consideration, stern warnings were issued to the six individuals."

Police and other law enforcement agencies investigate a vast number of cases. When they do not proceed, the standard practice is not to issue any statement.

Where there is public interest in knowing more details, Members may file questions in this House. And the relevant Minister will, after consulting the PP who made the decision independently, answer the questions to the extent permitted in law. That is what is happening here, in this case.

I think Members will agree, in general, when the law enforcement agencies do not proceed to charge someone after completing investigations, it is not expected that the agencies go into details of the decision. But if anyone has questions on the decision, the matter can be raised in Parliament and that is what we are doing now.

Let me deal with questions that I have identified.

First, the reasons for issuing the stern warning rather than prosecution and the sufficiency of DPA and SOF. Decisions on charging are made by the PP. In deciding whether to charge, the PP has to consider whether he has the necessary evidence to prove that those individuals were involved in certain conduct and possessed a certain mental state, to establish the offences. In this case, as CPIB explained in its media release, there are evidentiary difficulties in doing so.

Simply put – there is a lack of sufficient evidence either documentary or through witnesses, which would establish any criminal charge beyond a reasonable doubt against a specific individual.

The Attorney-General's Chambers (AGC) has made a number of mutual legal assistance requests over five years. To date, the findings from these requests are insufficient for prosecution, as I will elaborate later.

Given this reality, I would like to know if any Member thinks that, nevertheless, even without sufficient evidence, the PP should have proceeded to bring charges against individuals who deny the allegations against them. If so, please let me know and the basis on which you say so.

Does the fact that KOM had entered into DPA make a difference in this matter? And would the DPA be enough to, at least, commence prosecution against the specific individuals in question? The answer is no.

The DPA and related documents were entered into between KOM, the US Department of Justice and the US Attorney's Office. KOM USA, a wholly-owned subsidiary of KOM, also entered into a plea bargain agreement with the US authorities. No individuals were parties to these documents. While the documents make reference to the actions of certain individuals, I have been advised that those references, on their own, are insufficient to establish any offences beyond reasonable doubt, without witnesses testifying in Singapore about the context surrounding those actions and the intention behind them.

In short, the agencies do not have sufficient evidence that would show, beyond reasonable doubt that any of the six individuals were guilty of an offence.

CPIB conducted an in-depth investigation within Singapore, within the scope of its legal powers. However, as I said earlier, the difficulty with this case is that several potentially key witnesses are not in Singapore and CPIB has not been able to secure their cooperation or agreement to testify in Singapore.

With the initial assistance of the Brazilian authorities, CPIB made two fact-finding trips to Brazil in May and August 2019.

AGC and CPIB sent three mutual legal assistance (MLA) requests to Brazil to secure the evidence that was needed. AGC and CPIB also sent an MLA request to another relevant foreign authority to interview other potential material witnesses. The contents and outcome of these MLA requests are confidential, but I can inform the House that they have either not yielded evidence that could be used to secure a conviction before our Courts, or the responses have not been helpful in advancing the case.

There is one foreign witness who gave evidence in other proceedings, which could have been relevant in establishing the offences in Singapore. However, that foreign witness is not willing to voluntarily give evidence in Singapore. Neither AGC nor CPIB can compel him to do so.

Some Members may ask whether any prosecution could be advanced arising out of the fact that a particular individual had entered into a plea bargain in another jurisdiction, in relation to his involvement in the KOM bribery. When this individual was investigated by CPIB on his return to Singapore, he denied knowing that commissions paid to the agent in Brazil were paid out as bribes. He did not, during CPIB's investigations, implicate himself or any others in conspiring to pay bribes. Even if the PP applies to a Singapore Court to admit the plea agreement, the agreement did not identify any specific individuals and was made in the context of a plea bargain and will be given limited weight without further supporting evidence and in the face of potentially conflicting oral testimony.

CPIB has conducted as thorough an investigation as it could with the information and powers that it possessed. However, given the cross-border nature of this case and absence of key witnesses, CPIB's investigations could not overcome the evidential difficulties for the purposes of prosecution in a Singapore Court. As such, stern warnings were issued. If, subsequently, new and compelling facts come to light, it remains open for the PP to re-evaluate the decision in the light of the evolving legal and factual matrix.

Ms Hazel Poa asked whether the decision to issue a stern warning was unanimous in AGC and CPIB, and if other agencies were consulted. Mr Louis Chua asked what offences were being considered.

The decision not to charge is made by the PP in the exercise of his discretion and professional judgement, taking into account all relevant considerations. The PP does not tell us whether everyone in AGC agreed with him or if there were differing views, or which agencies he worked with apart from CPIB. Nor is it our task to ask AGC to list all the agencies which were involved. In the end, what matters is the considered view of AGC, working with CPIB.

In response to Mr Chua, I am advised that relevant potential offences were considered by the PP.

Next, on the naming of individuals, Mr Dennis Tan and Mr Gerald Giam asked about the identities or details of the six individuals. Mr Murali Pillai and Ms Sylvia Lim asked whether other entities or persons were involved.

As a matter of policy, CPIB does not disclose the names of individuals unless they are charged in court. This policy is not unique to the CPIB; law enforcement agencies in the US, UK and New Zealand have a similar approach. The principle underlying this policy is to avoid prejudicing that individual's right to due process and also avoid any presumption of guilt in the absence of any formal findings.

If Members feel that hereafter, this practice should be changed and that law enforcement agencies should name all individuals who were investigated, even if in the end no charges are brought, then please say so. That would be a major change of policy. But please note, if Members want to change, then it cannot be only for this case. It must be for all future cases. That is something to think carefully about. Members will recall that about two years ago, a question was in fact raised in this House, asking about the protections available for those whose reputations are affected by media coverage of ongoing trials of certain offences and how such reports are regulated.

Dr Tan Wu Meng sought statistics on prosecutions and stern warnings, and Ms Poa asked if warnings were issued in other corruption cases. From 2017 to 2021, CPIB has issued an average of 138 warnings annually and 139 individuals were prosecuted. Stern warnings are not unusual, being used in cases where there are evidential difficulties or little public interest to prosecute.

Questions have been asked on the impact of Singapore's zero tolerance policy on corruption and reputation. There is no change in Singapore's zero tolerance policy on corruption. I have explained the reasons why no criminal proceedings have been brought in this matter. In having regard to the rules of evidence, CPIB and AGC are observing the basic rules for a fair and just criminal justice system. What can be inferred from this is that while Singapore has zero tolerance on corruption, it also strongly adheres to the rule of law.

Mr Murali Pillai asked in what circumstances CPIB will investigate foreign bribery cases involving Singapore Citizens or companies under section 37 of the PCA. CPIB will investigate all cases whether they happened locally or overseas, as long as the alleged offences fall under the ambit of the PCA and the information is credible and can be pursued. CPIB will investigate and submit its findings and recommendations to the PP, who will then decide if there is sufficient evidence to prosecute.

On Ms He Ting Ru and Ms Hazel Poa's questions regarding Singapore companies being convicted of corruption abroad, the Ministry of Foreign Affairs (MFA) does not have such records and CPIB's records do not go as far back as 1965. More recently, in 2015, a Singapore company, Glenn Defense Marine Asia Pte Ltd (GDMA), pleaded guilty in the USA to bribery-related offences. GDMA was not prosecuted in Singapore as key evidence against the company was not available here and GDMA had been dealt with in the USA. However, Gursharan Kaur Sharon Rachael, the Singaporean employee of the US Navy, was prosecuted here as evidence of her corrupt conduct was available to CPIB and she pleaded guilty to those offences.

Mr Zhulkarnain asked if we will amend the PCA to expand the powers of the CPIB to facilitate investigations outside jurisdiction. CPIB's powers under the PCA allow it to investigate offences committed by Singaporeans abroad but the investigations have to be conducted in Singapore. CPIB cannot conduct investigations abroad. And regardless of what our law says, it is not possible for our agencies to exercise police powers in another country. That would not be allowed or tolerated by any other country, just like we would never allow a foreign investigative agency to exercise police powers in Singapore.

Think of it this way – do you think Singaporeans will or should accept that a regional police force can come into Singapore and interrogate Singaporeans?

Hence, when evidence resides outside Singapore, our agencies are dependent on international cooperation and foreign authorities to facilitate their investigations and secure the relevant evidence. This Parliament cannot legislate to empower CPIB to conduct investigations in foreign jurisdictions because that would run afoul of territorial sovereignty.

Therefore, Members need to be realistic about what we can and cannot do. Singapore companies who operate overseas do so in myriad environments, where all kinds of business practices prevail. We cannot police all of them. However, what we can and should do is to insulate our companies and our system against corruption. Our companies must find a way to do business cleanly, wherever they do business and people must know that is how we operate.

In conclusion, the PP decided not to prosecute the six individuals because the evidence available in Singapore does not provide sufficient evidential basis to prosecute, bearing in mind the Prosecution's burden is to establish the ingredients of each offence beyond reasonable doubt. The CPIB has done its best, including working with international partners to uncover such evidence.

CPIB and AGC have undertaken a careful and thorough review of the documents, including the DPAs and plea bargains and the PP has advised that those are insufficient to meet the burden of proof. But if subsequently new and compelling evidence comes up, the PP can and will re-evaluate the decision. The PP's decision to issue stern warnings should be understood in that context.

Mr Speaker, Singapore's success arises in no small part because of its policy in upholding the rule of law and adopting a zero tolerance policy to corruption. Both are necessary factors and our zero tolerance policy must be upheld in a manner that complies with the rule of law. The PP has acknowledged this and this is exactly what the PP has done on the facts – to uphold the rule of law.

Mr Speaker: Mr Pritam Singh.

Mr Pritam Singh (Aljunied): Thank you, Mr Speaker. I have two questions for the Minister. I refer to the Minister's extended reply in January 2018, shortly after news of the deferred prosecution agreement came to light and the Workers' Party Members of Parliament filed a series of questions in Parliament and the Minister replied to those.

Arising out of that Sitting, I had a supplementary question about the knowledge of the Keppel Board of Directors. The Minister replied to say that the current Board of the Directors of Keppel Corporation and its unit, KOM, "were not aware of the legal payments made to secure projects in Brazil." Can I confirm if investigations included determining the constructive knowledge of Keppel Board of Directors at the material time that corrupt payments were made to secure contracts in Brazil? That is the first question. I can repeat the question. I would like to confirm if Police and CPIB investigations included determining the constructive knowledge of Keppel Board of Directors at the material time? That means, not the current board that the Minister referred to in 2018, but at the material time when corrupt payments were made to secure contracts in Brazil. That is the first question.

The second supplementary question pertains to Member of Parliament for Hougang, Mr Dennis Tan, who had filed three separate PQs seeking an update on the Keppel case in 2018, 2019 and 2022. In the final reply, the Government said that it had requested for further mutual legal assistance from foreign authorities to obtain additional information from the witnesses and the Government was still awaiting a response.

All in all, how many mutual legal assistance (MLA) requests were made by the Government to various governments? And was the nature of the information sought, such that it would suggest a successful prosecution would have been possible? Because from some of these earlier replies, it would appear that a witness testimony was forthcoming but that further clarifications were required. So, was it a case that there were repeated MLAs that could have helped? Or was it a case that the Government concluded this is not going anywhere?

Ms Indranee Rajah: With respect to the last question on whether a successful prosecution could have been mounted depending on the nature of the information, the short answer is: you do not know until you actually get the information. How would you know what that person would say? So, the short outcome of the request for mutual legal assistance is, as I explained in my earlier answer, that they either have not yielded evidence that could be used to secure conviction before the Courts or the responses have not been helpful in advancing the case.

I do not know all the details of the MLA, but I do know that the latest ones, there have been no response.

So, I mean, if the Member is asking what could have been done, the answer is, we do not know because they made the request and they have not been able to get the evidence that is needed.

Then, with respect to the first question about whether CPIB had investigated the constructive knowledge at the material time of the Board, can I just seek to understand: is the Leader of the Opposition indicating or suggesting that constructive knowledge is an offence under the PCA?

Mr Pritam Singh: No, Minister. My simple query was in relation to the reply that the Minister gave in 2018. The Minister directed me at that point to a Keppel press release which indicated that the current Board of Keppel was not aware of these corrupt payments. So, my supplementary question today deals with the constructive knowledge of the Board at the material time, not the current Board that was referred to in 2018 – because these corrupt payments actually go back, well before 2018. That is the purport of the question.

Ms Indranee Rajah: I thank the Leader of the Opposition for his clarification. I cannot answer for Keppel. In the answer that I had given previously, I had directed the Members to the Keppel press release which talked about the then current Board.

But coming back to Mr Singh's question, that is why I asked him whether he is suggesting that constructive knowledge is an offence. Because CPIB only investigates offences. Therefore, if the question is whether the investigation included determining if there was constructive knowledge, the answer is: if constructive knowledge is not an offence then there is no reason for CPIB to be investigating this. CPIB investigates offences under the Prevention of Corruption Act and that is what they have done. And in this case, unfortunately, there is insufficient evidence for them to mount a prosecution.

Mr Speaker: Mr Pritam Singh.

Mr Pritam Singh: Just a quick clarification on the reply from Minister on constructive knowledge. I think the point, really, is not whether that in itself is an offence, but what that can lead to, in terms of identifying individuals who could be identified as knowing more and being aware of or signing off on cheques or whatever the payment process was of corrupt payments. Not so much the constructive knowledge itself. It is about the entire corpus of facts and how that could potentially identify individuals for prosecution, since Keppel was already dealt with as a corporate entity.

On the second supplementary question I asked with regard to MLAs, I do not believe that Minister has replied, although in her early response, she did say three MLA requests were put to Brazil, if I understand. But all in all, how many MLA requests were put?

And it would appear from the reply that the Minister had given to the Member for Hougang, Mr Dennis Tan, in 2022, I will just quote from the reply: "The Keppel Offshore & Marine case is complex and transactional in nature involving multiple foreign authorities and several more potential witnesses based overseas." Several more potential witnesses.

"We have requested mutual legal assistance from foreign authorities to obtain additional information from these witnesses and are still awaiting the response to these requests."

So, it appeared that there were responses to mutual legal assistance requests. But in the latest one that was put out, there were no replies. This is what I understood from the Minister.

Ms Indranee Rajah: Earlier on in my answer, I had said that AGC has sent three mutual legal assistance (MLA) requests to Brazil to secure evidence that was needed. And AGC and CPIB also sent an MLA request to another relevant foreign authority to interview other potential material witnesses. So, I think what we have from my previous answer is three to Brazil and one other, since I said, "sent an MLA request to another foreign authority". And, as I explained earlier, they have not yielded the evidence that could be used to secure a conviction or the responses have not been helpful. And I do understand that, at least, for one or two of them, the latest ones, there have been no response.

Because you would recall earlier, when PQs were asked, or I think, in Committee of Supply (COS), I had said they were pending responses – if you recall. There has been no further response since then.

The other question that the Leader of the Opposition asked, the thrust of his question on the Board of Directors, was whether or not there was anything in the investigations with Keppel that could lead to more evidence with respect to the individuals. This much I can say – whatever CPIB has been able to do or to uncover or to ask in its investigations in Singapore with respect to Keppel, it has done. But the problem is not so much what they had been doing the investigations here. The problem is that key material witnesses are not available. And that is the problem. That is the hurdle that they have not been able to overcome. And that is why charges have not been proffered.

Mr Speaker: Dr Tan Wu Meng.

Dr Tan Wu Meng (Jurong): Mr Speaker, I thank the Minister for her detailed answer. I have Clementi residents, some who worked for Keppel in the early days of Singapore's developments, and they and their families are saddened and distressed to hear about what happened with Keppel Offshore & Marine.

Can I raise two supplementary questions?

Firstly, Mr Speaker, can I refer to what the Prime Minister said on 18 September 2012 on the 60th anniversary of CPIB. The Prime Minister said, and I quote, "We will never tolerate corruption. We will not accept any slackening or lowering of standards. Anyone who breaks the rules will be caught and punished."

In conjunction with this, can I confirm with the Minister that every effort will continue to be made internationally through MLAs as needed, working with other overseas authorities, to obtain additional facts as needed that may be required to bring persons responsible to justice as far as it is possible within Singapore's laws and legal ambit?

Secondly, can I also highlight the speech by the current Attorney-General (AG) at the Singapore Law Review Lecture 2017 on "prosecution in the public interest". In particular, the current AG said, and I quote, "If we are convinced that a serious offence has been committed, we will not hesitate to act, simply because securing a conviction may be an uphill task."

Can I ask the Minister if we are aware of the assessment by the AG and the Public Prosecutor – the Minister said it did not reach the threshold for beyond reasonable doubt – was it assessed that the prosecution would be an uphill task in and of itself or outright impossible given the available facts?

Ms Indranee Rajah: I thank the Member for his supplementary questions. Let me start first with his reference to the speech by the Attorney-General (AG). In that speech, in the same speech, the AG actually said this. He said – he was describing the kind of internal process that the AGC goes through – and he said, "At the end of this internal Inquiry, we make an assessment of whether we are likely to have a reasonable prospect of obtaining a conviction. Only when we are convinced that the evidence and the law disclose a criminal offence do we even begin to consider whether prosecutorial discretion should be exercised. It would be a subversion of the rule of law and a waste of valuable public resources for us to pursue prosecution in the absence of a reasonable prospect of conviction. In fact, many of the files that were considered in my Chambers are closed at the first stage of assessment because the facts of the law do not disclose any criminal offence that can be proved in a Court of Law."

And the background of that speech was that the AG was actually talking about the context of offences against minors, where it is particularly difficult to get evidence. That was the overall context he was talking about.

So, the question is not whether or not it was a choice between an uphill task – in other words, do not do it just because it is a bit difficult or – the other, that it is outright impossible. The correct test is what the AG has described – it is that there must be a reasonable prospect of obtaining a conviction. Because there must be a certain threshold. Otherwise, if you just go around filing charges with insufficient basis, that will not make for a strong justice system. And that is the threshold that AGC feels that it is not able to get over, in this particular case.

Mr Speaker: Ms Sylvia Lim.

Ms Sylvia Lim (Aljunied): Thank you, Speaker. I have two clarifications for the Minister. Earlier, in her answer, she stressed on the fact that CPIB and AGC's assessment were that there was unavailable evidence, unavailable witnesses in jurisdiction. But I think she will appreciate that under our law, confessions actually are a useful piece of evidence on which prosecutions can be mounted. So, I would like to ask Minister, first, did CPIB interview all the six persons who were warned personally in Singapore? And secondly, in relation to this, was CPIB not able to obtain any incriminating statement from these six persons? That is the first clarification.

The second clarification is, in her answer, she also referred to a foreign witness whom she mentioned could have provided useful evidence in Court. May I ask her to confirm that she is referring to the former Head of Legal of KOM? And if that is so, is she saying that whatever he told the US court, in terms of the fact that he drafted agreements to facilitate the bribery scheme in conjunction with approval from his seniors, whoever they are, he is repudiating all that now in front of CPIB?

Ms Indranee Rajah: In response to Ms Sylvia Lim's first question as to whether CPIB has been able to obtain admissions or confessions for those six persons, my understanding is that CPIB has not had any admissions or confessions from the six persons.

The second one, when she asked about the foreign witness, I will refer back to my earlier answer where I actually said two things. I said there is one foreign witness who gave evidence in other proceedings which could have been relevant to establishing offences in Singapore, but that foreign witness is not willing to voluntarily give evidence in Singapore. That is number one.

Number two: she said that some Members may ask whether prosecution could be advanced arising out of the fact that a particular individual had entered into a plea bargain in another jurisdiction – so, that is a separate individual – in relation to his involvement in the KOM bribery. And when this individual was investigated by CPIB on his return to Singapore, he denied knowing that commissions paid to the agent in Brazil were paid out as bribes. And he did not, during CPIB's investigations here, implicate himself or others in conspiring to paid bribes.

So, the question is, has he said something different here? I think the answer is yes. But I will not go into details. Firstly, I do not have details of what exactly was said. What I do know, and I am able to say based on what has been informed to me, is that in this particular case, what was said in the US and what has been told to CPIB, there are differences.

Mr Speaker: Mr Murali Pillai.

Mr Murali Pillai (Bukit Batok): Mr Speaker, Sir, two supplementary questions.

But first, a point of clarification. The hon Minister referred to my PQ and said I asked what was the policy of CPIB, in relation to dealing with foreign bribery vis-à-vis citizens of Singapore and companies. I just want to clarify that my PQ was only in relation to citizens of Singapore – and that is because section 37 of PCA excludes companies.

My first supplementary question is whether it may be an opportune time to review section 37 to include legal persons, such as companies, to give better bite to the rationale behind section 37 – dealing with foreign bribery?

The second supplementary question concerns the office of the Attorney-General. Here, it is clear that the Attorney-General, in his discretion, made the decision not to proceed with prosecution. Given that he occupies a high constitutional office, the importance of trust between the Attorney-General's Office and the people of Singapore cannot be overstated. For the Judiciary, they can explain their decisions through judgments. I wonder whether structurally anything can be done to allow the Attorney-General to explain his decisions in certain cases, such that the trust between the people and the Attorney-General is always maintained.

Ms Indranee Rajah: I thank Mr Murali for his questions.

With respect to review of the PCA, our general assessment is that the PCA does have sufficient powers. But if there is anything that can be usefully reviewed, anything that we feel can be enhanced or improved, we are always open to suggestions.

On the second, on the Office of the Attorney-General, it is an office which carries a heavy responsibility. In discharging that responsibility, the Attorney-General has to be quite careful of what he says or does not say in public, particularly with respect to decisions because you do not know whether further down along the line, a certain further action may have to be taken. So, what I have said earlier is that, in this case, they have put out as much as they thought would be appropriate to do so. But you really do not want a system where, every single case, the investigations are discussed in detail and where it then becomes an exercise of the public determining guilt or innocence in the absence of proper due process.

Mr Speaker: Mr Louis Chua.

Mr Chua Kheng Wee Louis (Sengkang): Thank you, Mr Speaker. Just a few quick supplementary questions. The first is whether or not the six executives authorised the payment of the bribes. And second, are they aware of the payment of the bribes? And, if so, what did they do with the information?

Ms Indranee Rajah: Could Mr Louis Chua please repeat the questions?

Mr Chua Kheng Wee Louis: The first is whether or not the six executives involved, authorised the payment of the bribes? And second, are they aware of the payment of the bribes? And if they are, what did they do with the information?

Ms Indranee Rajah: The short answer is, I do not know. I do not know because I did not conduct the investigations. And what I do understand from the investigations is that CPIB says that the six have not made any admissions.

1.30 pm

Mr Speaker: Order. End of Question Time. Introduction of Government Bills. Leader of the Opposition – just a quick one.

Mr Pritam Singh: Mr Speaker, not a question. Just a request perhaps to allow for a few more minutes to have some Members ask a few more questions on this subject, given the public interest in this issue.

Mr Speaker: If there are new questions apart from whatever has been answered. Leader.

Ms Indranee Rajah: Perhaps another five to 10 minutes, Mr Speaker. I do not have an objection answering. I do not wish it to appear that we are not responding to questions. But I hope that the Members ask questions that will be relevant and appropriate questions.

Mr Speaker: The Minister has provided certain responses. I hope that if Members do have questions, do not go round and repeat the same things again. Leader, if you could just perhaps raise a Suspension of Standing Orders to allow for the extension.

SUSPENSION OF STANDING ORDERS

(Extension of Question Time)

1.31 pm

The Leader of the House (Ms Indranee Rajah): Mr Speaker, may I seek your consent and the general assent of Members present to move that Question Time at this day's Sitting be exempted from the provisions of Standing Order No 22(1) so as to enable the Questions for Oral Answer to continue until the completion of Question No 39.

Mr Speaker: I give my consent. Does the Leader have the general assent of hon Members present to so move?

Hon Members indicated assent.

Mr Speaker: Leader, please proceed.

With the consent of Mr Speaker, and the general assent of Members present,

Question put, and agreed to.

Resolved, that notwithstanding Standing Order No 22(1), Questions for Oral Answers set down on the Order Paper for today to continue until the completion of Question No 39. – [Ms Indranee Rajah].

FINDINGS FROM KEPPL OFFSHORE & MARINE CORRUPTION PROBE

(Resumption of supplementary questions)

Mr Speaker: Mr Gerald Giam.

1.32 pm

Mr Gerald Giam Yean Song (Aljunied): Thank you, Mr Speaker, I just have one supplementary question. Has the Government ever been aware of Singaporeans paying bribes to foreign officials but decided not to take them to task on the basis that bribery is sometimes seen as necessary to win contracts in countries where corruption is rife and that winning these contracts benefit Singaporean companies and Singaporean employees?

The Minister, Prime Minister's Office (Ms Indranee Rajah): I think I can say this much in response to that question – which is that if it comes to the attention of our authorities that an act of bribery or an offence has occurred, it will be investigated. And if there is sufficient evidence to pursue that and to bring it to Court, then they will do so.

If the suggestion is that we are somehow condoning bribery overseas, the answer is no.

In fact, I would direct the Member to the answer that I gave earlier on – and it bears repeating – where I said that Members need to be realistic about what we can and cannot do. Singapore companies that operate overseas do so in myriad environments, where all kinds of business practices prevail. We cannot police all of them. However, what we can do and we should do is insulate our companies and our system against corruption. Our companies must find a way to do business cleanly wherever they do business and people must know that is how we operate.

Mr Speaker: Mr Leon Perera.

Mr Leon Perera (Aljunied): Thank you, Mr Speaker, Sir. Sir, in the 2022 Transparency International report “Exporting Corruption Abroad”, Singapore is actually ranked in lowest category with little or no law enforcement against acts of corruption committed abroad. There are 20 countries in that category; there are 27 countries who are doing a bit better in categories 3, 2 and 1.

My question here is what are the plans of the Government to improve the effectiveness of law enforcement so that cases like these in future are less likely to slip through the cracks? So far, in all the replies given by the Minister, I have not heard any concrete plan to improve the extent of law enforcement against acts committed abroad, not domestically. I think, domestically, we are doing well, in terms of the Transparency International reporting. But what are we going to do differently and do better in terms of enforcing the law abroad?

My second supplementary question is, we have talked about the insufficiency of evidence to mount charges. What then is the basis on which the stern warnings were issued?

Ms Indranee Rajah: With respect to the first question on what can be done with respect to acts committed abroad, the first thing to remember is that the Singapore Government does not run these private companies that operate abroad. This is a matter for the companies own corporate governance. But as a Government, what we do is that we make sure our laws are directed at ensuring that you have good corporate governance; we also encourage programmes which require good corporate governance; we have a very strong stance on anti-corruption; all the signals that we send as a Government is to tell our companies, "Please – do business properly".

It is incumbent upon those companies – not the Government – to ensure that their staff, their practices are clean and above board, and in accordance with proper governance.

On the second question, I am not sure I got that. Can you repeat the second question?

Mr Leon Perera: Given the insufficiency of the evidence to mount charges, what then is the basis for the stern warnings?

Ms Indranee Rajah: The answer to that is, a stern warning is given when you feel that you cannot say that you give a complete clean bill of health. But at the same time, you do not have enough to clear that evidentiary huddle. So, what are the choices?

The choices are: do nothing at all or bring charges when you know you do not have sufficient evidence; or is there something in between? The stern warning device is the something in between. It signals; it is an expression of AGC's position that: "We do not think that you are completely off the hook, but we do not have enough to charge you; and I want you to know this. I am putting down a marker, a marker that there is something not entirely right. But this is the only device available to the AGC." So, that is what it does.

It would be a very different thing, for example, if AGC had just thrown up its hands and said, "Okay, close investigation; do not do anything." That, too, would not have been the correct thing to do.

Mr Speaker: Assoc Prof Jamus Lim.

Assoc Prof Jamus Jerome Lim (Sengkang): Thank you, Mr Speaker. I appreciate the Minister's response that it is impossible to entirely govern the way that private companies may conduct their businesses abroad. But by the same token, perhaps, part of the concern here is that Keppel is a government-linked corporation (GLC). I wonder if there are any general stipulations or guidelines that the Government

does provide to government-linked companies about the appropriate conduct of their businesses abroad, above and beyond just saying that it is up to their own individual corporate governance.

Ms Indranee Rajah: I will give the reference in a minute. On the facts of this particular case for Keppel, as part of the DPA, Assoc Prof Jamus Lim may not recall this, but Members who were present in 2018, when I responded to this in Parliament, will recall.

Under the DPA, one of the requirements or the conditions for the Deferred Prosecution, was that Keppel would have to continue to implement compliance and ethics programmes designed to prevent and detect violations of the FCPA and other anti-corruption laws. And they also undertook to review their internal accounting controls, policies and procedures regarding compliance with the FCPA and other applicable anti-corruption laws. They also agreed to modify their compliance programme, including internal controls, compliance policies and procedures.

So, in this particular case, conditions were imposed; and it is my understanding that they have indeed been carried out because the DPA has been successfully concluded.

At that time, if I recall correctly, Temasek, as well as Keppel, also stated that they carry out programmes which are designed to make their staff and their companies aware of the need for good corporate governance; and that they had education programmes. I think the same would be true of all other multinational corporations (MNCs). They understand the need for this. I would agree with Assoc Prof Jamus Lim that it is very important because directors, boards, offices of companies especially large ones and especially those operating in other jurisdictions do need to be aware of the need of proper governance, anti-corruption and good controls.

1.40 pm

Mr Speaker: Order. End of Question Time. Introduction of Government Bills.

[Pursuant to Standing Order No 22(3), provided that Members had not asked for questions standing in their names to be postponed to a later Sitting day or withdrawn, written answers to questions not reached by the end of Question Time are reproduced in the Appendix.]

Note(s) to Question No(s) 23-39:

¹ To ask the Prime Minister with regard to the stern warning issued by the CPIB on six former senior management staff of Keppel Offshore & Marine Limited (a) whether an explanation can be provided on the decision to issue stern warnings to the six individuals instead of prosecuting them; (b) what factors have been taken into consideration; and (c) what measures will the Government take to ensure that such corrupt practices by Singapore companies operating overseas will not happen again in the future.

² To ask the Prime Minister (a) whether the assessment to issue stern warnings to the former staff of Keppel Offshore and Marine Limited involved in bribe payments instead of prosecuting them was a unanimous one by the Attorney-General's Chambers (AGC) and whether there were dissenting views within AGC; and (b) if so, what are those views.

BILLS INTRODUCED
PRESIDENTIAL ELECTIONS (AMENDMENT) BILL

"to amend the Presidential Elections Act 1991",

presented by the Minister for Education (Mr Chan Chun Sing) read the First time; to be read a Second time after the conclusion of proceedings on the Estimates of Expenditure for FY2023/2024, and to be printed.

PARLIAMENTARY ELECTIONS (AMENDMENT) BILL

"to amend the Parliamentary Elections Act 1954 and to make consequential and related amendments to certain other Acts",

presented by the Minister for Education (Mr Chan Chun Sing) read the First time; to be read a Second time after the conclusion of proceedings on the Estimates of Expenditure for FY2023/2024, and to be printed.

RESOURCE SUSTAINABILITY (AMENDMENT) BILL

"to amend the Resource Sustainability Act 2019",

presented by the Senior Minister of State for Sustainability and the Environment (Dr Amy Khor Lean Suan) on behalf of the Minister for Sustainability and the Environment, read the First time; to be read a Second time at the next available Sitting on or after 20 March 2023, and to be printed.

COVID-19 (TEMPORARY MEASURES) (AMENDMENT) BILL

"to amend the COVID-19 (Temporary Measures) Act 2020",

presented by the Senior Minister for Health (Dr Janil Puthucheary) on behalf of the Minister for Health, read the First time; to be read a Second time after the conclusion of proceedings on the Estimates of Expenditure for FY2023/2024, and to be printed.

HEALTHCARE SERVICES (AMENDMENT) BILL

"to amend the Healthcare Services Act 2020 and to make consequential and related amendments to certain other Acts",

presented by the Senior Minister for Health (Dr Janil Puthucheary) on behalf of the Minister for Health, read the First time; to be read a Second time after the conclusion of proceedings on the Estimates of Expenditure for FY2023/2024, and to be printed.

SIMULTANEOUS DEBATE ON MOTIONS

1.43 pm

The Leader of the House (Ms Indranee Rajah): Mr Speaker, I beg to move, that, notwithstanding the Standing Orders, the Motions on "Affordable and Accessible Public Housing" and "Public Housing Policies" be taken together, and that the debate on these Motions and on any amendment proposed thereto be proceeded with simultaneously as though the debate were on a single Motion.

Mr Speaker, as Members are aware, the Minister for National Development Mr Desmond Lee and the Non-Constituency Member of Parliament Mr Leong Mun Wai, have each filed separate Motions, the titles of which I have just read out. Both Members have given notice of their intention to move their Motions on 6 February 2023. For benefit of the Members, let me just read out the terms of the Motions.

The Motion standing in the name of the Minister for National Development – Affordable and Accessible Housing: that this House affirms the importance of keeping public housing affordable and accessible while protecting the interests of current and future generations of Singaporeans, and endorses the commitment of the Government to these twin goals.

The Motion standing in the name of Mr Leong Mun Wai – Public Housing Policies: that this House calls upon the Government to review its public housing policies in order to deliver affordable and accessible HDB flats to all Singaporeans, strengthen the owner-occupation intent of public housing, protect retirement adequacy and keep public housing inclusive for every Singaporean of each generation.

Given the subject matter of the two Motions, I am in today's Business Motion, moving that the two Motions be considered together and debated concurrently. This is because the two Motions cover common topics and related issues, albeit from different perspectives. A concurrent or simultaneous debate will allow Members to address both Motions in a single speech and enable the issues raised in the two Motions to be considered holistically. It will also allow for more efficient conduct of Parliamentary business.

Minister Desmond Lee and Mr Leong Mun Wai, as movers of the respective Motions, will each, as is usual, have the right to speak to move their Motions and to reply at the end of the debate to close their Motions.

To be clear and for avoidance of doubt, it is only the debate that is concurrent. The Motions remain as two separate Motions and at the end of the debate, the vote on the two Motions will be taken separately. Mr Speaker, I beg to move.

Question put, and agreed to.

Resolved, that, notwithstanding the Standing Orders, the Motions on "Affordable and Accessible Public Housing" and "Public Housing Policies" be taken together, and that the debate on these Motions and on any amendment proposed thereto be proceeded with simultaneously as though the debate were on a single Motion.

Mr Speaker: The Clerk will now proceed to read the Orders of the day and Notices of Motion.

SECOND READING BILL

ENVIRONMENTAL PUBLIC HEALTH (AMENDMENT) BILL

Order for Second Reading read.

1.46 pm

The Senior Minister of State for Sustainability and the Environment (Dr Amy Khor Lean Suan) (for the Minister for Sustainability and the Environment): Mr Speaker, Sir, I beg to move, "That the Bill be now read a Second time."

Since our Independence, public hygiene has been a national priority. Our pioneer leaders knew that keeping Singapore clean would enhance our people's health and improve our quality of life. So, we embarked on programmes to improve public hygiene, stamp out public littering and clean up our rivers.

We have come a long way. Today, Singapore is widely regarded as one of the cleanest cities in the world.

The COVID-19 pandemic underscored the importance of maintaining high public hygiene and sanitation standards. Maintaining public hygiene was our first line of defence in protecting ourselves and our loved ones. Even as pandemic risks subside, we must not rest on our laurels and forget the tough lessons learnt.

Just as importantly, COVID-19 showed how critical our environmental services like cleaning and waste management are to the well-being of our nation.

Our cleaning and waste management businesses and their workers support day-to-day functions in our economy and safeguard our population's health.

Our waste management sector also plays an important role in helping Singapore achieve our zero-waste ambition.

We need to support our cleaning and waste management businesses and their workers and ensure they stand ready to meet future demands while managing manpower challenges.

Even so, we cannot just rely on our cleaners and waste management workers to keep Singapore clean. Keeping Singapore clean is a whole-of-society responsibility that everyone must contribute to.

Mr Speaker, Sir, in this context, I will introduce the Environmental Public Health (Amendment) Bill, or EPHA. The Bill will give effect to policies that strengthen our waste management and cleaning sectors and ensure that maintaining a clean and hygienic living environment continues to be our collective responsibility.

First, we wish to uplift our resident workers in the waste management sector.

In January last year, the Government accepted the Tripartite Cluster for Waste Management (TCWM)'s recommendations to introduce a Progressive Wage Model (PWM) for the waste collection and materials recovery sub-sectors, which currently comprise around 550 firms. This will benefit some 3,000 eligible resident employees, including crew and drivers of waste collection trucks, sorters and machine operators in waste collection and recycling facilities and supervisors performing certain roles.

The PWM will uplift wages and boost productivity. The TCWM, comprising unions, Government agencies and service buyers, has proposed a six-year schedule of wage increases.

For instance, the entry-level baseline wage for waste collection crew will grow by 8.1% annually from \$2,210 per month in 2023 to \$3,260 per month in 2028. There will also be minimum amounts and scheduled increases for overtime payments and annual bonuses.

A structured career ladder, stipulating higher job roles, higher wages and minimum training requirements, will enhance career progression and prepare the industry for higher-value work.

The Bill gives legislative effect to the recommendations of the TCWM and implements the PWM through the licensing regime for companies providing waste collection and materials recovery services.

Sections 23 and 31 are amended to require applicants for waste disposal licences and waste collector licences, each called a waste management licence, to submit a Progressive Wage Plan with their licence application. The Progressive Wage Plan will cover details on the wage components paid to workers.

The new sections 23A and 31AA provide for the making of regulations to impose licence conditions relating to the training of workers and payment of progressive wages. This clearly establishes the PWM within the ambit of the EPHA and the waste management licensing regime.

Sections 23A(2)(d) and 31AA(2)(d) enable the imposition of licence conditions to prohibit waste management licensees from deploying individuals for waste management work unless they are their employees or employees of other waste management licensees. This will ensure that all waste management workers can benefit from the PWM wages.

The new section 31DA will require the Commissioner for Labour to specify by way of an order the wage-related components for each class of waste management workers under the PWM. This will provide greater clarity and certainty to the industry.

To effectively monitor compliance with licensing conditions, including those of the PWM, the new section 31DB empowers the Director-General of Public Health and any authorised officers to require licensees to produce relevant hardcopy or electronic records such as wage and training records of the licensees' workers for inspection.

I will next elaborate on changes we will introduce to the cleaning business licensing framework to build a resilient and productive cleaning sector.

The cleaning sector comprises around 1,530 licensed cleaning businesses, with a total workforce of about 53,600 cleaners. About 75% of these are resident workers.

We started on the journey to professionalise the cleaning sector as early as July 2010, when a Voluntary Accreditation Scheme was introduced. Subsequently, a licensing regime was introduced in September 2014 to mandate the minimum requirements for cleaning businesses, including the payment of PWM wages and the requisite training for cleaners.

The pandemic has intensified the urgency for cleaning businesses to transform. With rising demands for quality cleaning services, coupled with growing manpower challenges, cleaning businesses need to deepen their competencies, adopt productivity solutions and create better employment opportunities to attract and retain workers.

To build capabilities and raise public health standards of cleaning businesses, the cleaning business licensing framework will be enhanced. Key elements of the voluntary Enhanced Clean Mark Accreditation Scheme will also be merged with the current cleaning business licensing scheme into a single framework.

The Bill will amend sections 80F to 80I to implement the revised cleaning business licensing framework.

The revised framework will comprise three classes of licences to differentiate cleaning businesses according to their capabilities, as opposed to the current licensing regime, which grants the same licence to all cleaning businesses as long as they fulfil a set of common licensing requirements.

The new classes of licences will come with a two-year validity period but the application requirements such as training, paid-up capital, bizSAFE certification and compliance history with certain written laws for each class of licence will be different.

The Class 3 licence, which is non-renewable, retains the same requirements as the current licensing scheme without imposing any new requirements. New cleaning businesses can be granted a Class 3 licence but upon its expiry, must apply for a Class 2 or Class 1 licence to continue operating.

Class 2 licensees will need to meet the new paid-up capital and bizSAFE certification requirements that are applicable to that class of licensees. The minimum paid-up capital or net worth of \$25,000 ensures that the cleaning businesses are committed and able to pay PWM wages to their cleaners. The bizSAFE certification ensures that cleaning businesses inculcate a culture of workplace safety for its workforce.

The Class 1 licence is for cleaning businesses that want to further differentiate themselves in terms of capabilities. The Class 1 licence requires licensees to meet a higher minimum paid-up capital or net worth of \$250,000 and to ensure that their cleaning workforce is trained in additional Workforce Skills Qualifications (WSQ) modules. It provides greater assurance to service buyers that the licensees are equipped with more resources, experience and capabilities to undertake larger cleaning contracts and are committed to raising the skill level and competencies of their employees.

Existing cleaning businesses will be able to transit to the new framework easily with the Class 3 licence. They would have sufficient time, at least two years, to grow their capabilities and transit to the higher classes of licence as the revised framework will come into effect on 1 January 2024.

Prior to revising the licensing framework, the National Environment Agency (NEA) had consulted and received support from cleaning businesses on the revised framework. NEA will continue to work closely with key stakeholders and partner agencies to ensure a smooth transition for the cleaning businesses.

The Bill amendments will also empower the making of regulations to impose a licence condition to prohibit cleaning business licensees from deploying individuals to carry out cleaning work unless those individuals are their employees or employed by other cleaning business licensees. This will ensure that all cleaners benefit from the licensing framework and resident workers are paid PWM wages.

In addition, persons who supply cleaners will be required to be licensed. Such persons include companies which supply manpower to other cleaning businesses or premises owners to carry out cleaning work.

The enhanced licensing framework will ensure that cleaning businesses continue to upskill their workforce and pay progressive wages, while encouraging investment in innovation and technology to improve productivity and service delivery to boost their competitiveness as well as overcome manpower constraints.

Service buyers will benefit from better services and can also make more informed decisions in selecting cleaning businesses, based on the service buyers' needs and scope of cleaning work that they require.

Currently, Government Procuring Entities are required to engage only cleaning businesses with a Clean Mark Gold Accreditation. With the revised framework incorporating key elements of the Enhanced Clean Mark Accreditation Scheme, NEA will work with the Ministry of Finance (MOF) to require Government Procuring Entities to engage only cleaning businesses with a Class 1 Licence in the longer term.

Mr Speaker, Sir, I will now talk about how the Bill will encourage the sharing of responsibilities to sustain a clean living environment.

First, on pneumatic waste conveyance systems (PWCS). These are automated and enclosed systems that make waste collection more hygienic and efficient. Since April 2018, all new developments for strata-titled properties with 500 or more residential dwelling units are required to implement the PWCS. As the number of PWCS implemented in strata-titled developments in Singapore is expected to rise, there is a need to ensure that the equipment can be operated effectively over time.

Currently, the existing legislation places responsibility on building owners to maintain their waste collection systems, such as refuse lifts, chutes and chute chambers. The PWCS, which consists of a network of pipes to convey waste by air suction to the refuse bin centre, is also an integral part of the waste collection system.

The Bill will repeal and re-enact section 11 to make it clear that building owners have the responsibility to maintain their PWCS that serve the buildings and empower the Director-General of Public Health to take enforcement actions against owners who do not maintain, repair and replace their PWCS.

Second, on littering from residential flats which is a persistent, growing issue that blights our heartlands, affecting many of our estates islandwide. Feedback on high-rise littering has increased by over 60% between two consecutive three-year periods, from an average of 19,000 cases between 2017 and 2019, to an average of 31,200 cases between 2020 and 2022. NEA has conducted extensive public education and outreach with stakeholders such as the Town Councils and Grassroots Organisations, enhanced its enforcement capabilities and increased public awareness on the environmental consequences of high-rise littering. Despite these interventions, such a rate of increase, if allowed to persist, will be detrimental to public health – our estates risk getting increasingly dirty and unsafe, and our resources will never be enough to clean up after the offenders or catch and enforce against them.

Stronger action is needed to address the root of the issue and prevent high-rise littering. We will do this by introducing presumptions to place greater onus on owners and tenants of residential flats to prevent littering acts from being committed from their units in the first place, and when such offences have been committed, for them to take greater responsibility to identify the offenders. Let me elaborate.

Today, when feedback is received on high-rise littering from residential flats onto any public place, NEA will first work with relevant Town Councils to issue advisories to residents in the affected block to advise them not to commit high-rise littering from their flats. If the high-rise littering issue persists, NEA will deploy surveillance cameras to monitor the blocks and identify the unit from which the high-rise littering is committed. Video footage from surveillance cameras detailing the act of high-rise littering from a specific unit is then used for focused investigations leading to enforcement action.

However, the investigation process can be laborious and protracted, inhibiting effective enforcement. Even if the residential units where the litter was thrown have been clearly identified from the evidence, significant effort is still needed to identify the offender before enforcement can follow. The existing provision in the EPHA1987 requires flat owners to provide information on the identity of every occupant of the flat at the time of the offence and NEA may have to interview every occupant to identify the offender. Despite our best efforts, there are cases where NEA cannot identify the offender because all the occupants deny knowledge of the act. This means that even with evidence that littering has been committed from a flat, NEA is unable to take enforcement action in such cases, which undermines deterrence.

The Bill will insert a new Section 17A to introduce rebuttable presumptions such that if there is clear evidence that a littering act has been committed from a residential flat the owners or tenants who have leased the whole residential flat, will be presumed to have committed the littering offence.

For the relevant presumption clause to take effect, the evidence would need to clearly capture the act of littering and the flat from which the litter had originated. Images or footage captured by NEA's enforcement cameras would be our main source of evidence, but we will also accept such evidence if submitted by members of the public, subject to the quality of the evidence necessary to support our enforcement actions.

Flat owners or tenants can rebut the presumption through various means in order not to be held responsible under the presumption. Namely, a flat owner or tenant can produce evidence that he or she was not present in the flat at the time of the offence, prove that someone else had committed that offence or provide the identity of the person whom he or she reasonably believes to be the offender. Flat owners or tenants will be given a reasonable stipulated time period to produce such information.

This would allow for more effective enforcement and at the same time, spur flat owners and tenants to prevent their occupants from littering from their flats. The current process of issuing advisories when feedback is first received and deploying surveillance cameras in persistent cases will not change. Even after the owner or tenant has shown that he or she was not present in the flat at the time of offence or provided the identity of the person whom the owner or tenant reasonably believes to have committed the littering, NEA will continue to investigate, including interviewing any relevant witnesses such as the other occupiers or the suspect named by the owner or tenant so as to verify the information provided.

NEA will ensure that our investigation process remains robust and that the law is applied judiciously. Care will be exercised in investigating cases committed by vulnerable groups such as young children and the elderly. This is already the practice today. For the elderly or other vulnerable individuals, NEA will engage the individuals and their family members or caregivers and work with social agencies to provide further assistance where necessary.

Third, we will enable more effective enforcement of the EPHA to ensure we maintain a clean and liveable environment. Currently, Section 20 of the EPHA already prohibits the use of a vehicle to dump or dispose of waste in public places, which poses environmental and public health risks and is a blight on public places.

The Bill will amend Section 20 to make it an offence to cause or permit such illegal disposal of waste. This is necessary because there have been instances of supervisors improperly instructing their workers to illegally dispose of waste. The amendment will enable enforcement action to be taken against supervisors and not just the workers.

Another amendment relates to the one-year limitation period which prevents NEA from prosecuting an accused person for offences committed under the EPHA unless it is within one year from the date of offence. There have been instances where NEA had been unable to enforce against an accused person within the one-year limitation period. This could have been due to protracted investigations for complex cases or the late referral of cases by members of the public.

The Bill will thus amend Section 95 to extend the limitation period mentioned in that section from one year to three years to allow NEA more time to investigate complex cases. However, the time bar does not apply if, by reason of the offence complained of, an injury or danger to health subsists at the date of the complaint.

Mr Speaker, Sir, let me conclude. This Bill represents another milestone in our journey towards safeguarding public health and maintaining high standards of public cleanliness that Singapore is known for. We must continue to help and support our waste management and cleaning companies and workers to upgrade, transform and thrive. This will enable them to deliver high-quality services with a better skilled and engaged workforce. We must also take a firm stance against actions that create disamenities and endanger public health. Keeping our living environment clean has been and will continue to remain a shared responsibility for all. Mr Speaker, I beg to move.

Question proposed.

Mr Speaker: Mr Louis Ng.

2.10 pm

Mr Louis Ng Kok Kwang (Nee Soon): Sir, the amendments in this Bill will facilitate enforcement against high-rise littering, hold cleaning businesses to higher governance standards under the cleaning business licensing framework and extend the Progressive Wage Model for workers in the cleaning and waste disposal sector. It is a Bill that is a step in the right direction and one I wholeheartedly support. It will address a lot of the high-rise littering issues we all see on the ground and very importantly, it will uplift our workers in the cleaning and waste disposal sector.

That said, I just have three points of clarification to raise. My first point is on the Progressive Wage Model (PWM). The new section 23A introduces powers to impose conditions on the payment of progressive wages to Singaporean and permanent resident (PR) holder waste disposal workers. But what about our migrant workers? PWM is also about improving productivity, which will improve business profits for employers and service buyers also enjoy better service standards and quality. But all these cannot happen if the bulk of the workforce is not getting the PWM.

Both our local and migrant workforce deserve to earn fair and liveable wages. I shared in this House previously about how I have seen first-hand the sacrifices that our migrant cleaners make to keep our homes clean.

In 2019, I visited Bangladesh and invited all our Nee Soon East cleaners' families to lunch in Dhaka. We arranged for them to do a video call with their loved ones in Singapore. It was heartbreaking to see them cry as they spoke to their husbands, fathers, brothers and sons. It was even more heartbreaking that I was meeting many of our cleaners' children even before their fathers even met them.

I met the daughter, Jannath, of one of our cleaners, Mazibur. She was seven years old and had never met her father before. I felt bad that Mazibur's daughter met me before meeting her father. As a father, I cannot imagine not being there for my daughters' first words, first steps and many other firsts in their lives.

I am not asking for more for our migrant workers. I am asking that we be fair to our migrant workers too.

In 2018, I spoke on the Environmental Public Health (Amendment) Bill on the need to ensure that the PWM will apply to cleaners who are hired directly by an F&B establishment and for foreign cleaners. I am glad that we are now ensuring that cleaners who are hired directly by an F&B establishment will get the PWM, but again, what about our migrant cleaners?

In 2020, I spoke on the Building Control (Amendment) Bill on ensuring that the PWM will apply to our foreign lift technicians as well.

As a matter of fairness, it makes sense for the PWM to apply to all our workers. In the spirit of increasing productivity and better service standards and quality, it also makes sense for PWM to apply to all our workers. I hope the Ministry for Sustainability and Environment (MSE) will consider eventually extending the PWM to cover our migrant cleaners and waste disposal workers as well.

My second point is on the conditions under the new cleaning business licensing framework. The framework will introduce three classes of licences. A Class 1 licence will require businesses to have a paid-up capital of \$250,000 and a clean record with no conviction history in the past 24 months. Can Minister share if the Class 1 licence will also require that no stern warnings or a composition fine was issued against the company? If not, can Minister share the reasons why not?

In addition, a company acts through the hands and minds of its directors and executive officers. There may be cases where prosecutorial direction was exercised not to pursue charges against the company but prosecution was brought against a company's directors and/or executive officers. There is public interest in ensuring that the directors and executive officers are personally incentivised to comply with the law. Can the Senior Minister of State share if the Ministry will consider also requiring for a Class 1 licence that the directors and executive officers have no conviction history with regard to offences related to the company in the past 24 months? If not, can the Senior Minister of State share the reasons why not?

My final point is one I am sure Senior Minister of State Amy Khor expects me to raise and so I do not want to disappoint her. I also know that so many Singaporeans are affected by second-hand smoke and they hope the Government will help them and literally save their lives. It is not a neighbourly dispute, it is not about being uncomfortable with smelling second-hand smoke and it is not a problem you can adapt to and live with. It is about how second-hand smoke kills and people are trapped and need us to rescue them.

I am glad we are doing so much to tackle high-rise littering. It is a huge problem on the ground and the amendments in this Bill will help significantly. What I propose we do is extend the presumption introduced for high-rise littering to smoking in flats that affect other residents. The new section 17A will introduce a presumption clause that the litter proven to be thrown from a flat was thrown by every owner or tenant of the flat. The introduction of this presumption is recognition of the public interest in catching and deterring high-rise littering given the evidential difficulties and enforcement costs in having to prove who threw the litter out of a flat.

A problem that poses similar enforcement difficulties and costs is second-hand smoke in flats. Second-hand smoke is just as deadly or perhaps even more than high-rise littering and equally needs our urgent attention.

On 10 January, Ms Tham wrote to Senior Minister of State Amy Khor and copied me in the email. She shared, "I was delighted to read about the statutory presumption clause for high-rise littering, aimed to place greater onus on flat owners and tenants to prevent littering. Initially I wondered how NEA could prove the littering, then I found out about the surveillance cameras (though, as I understand it, the main effect is achieved through greater deterrence than the presumption clause). I would like to ask whether these two measures (surveillance

and deterrence) could be applied towards banning smoking in balconies. I understand the key issue was around not being able to prove the culprit was smoking, but if there were surveillance cameras, would this not be possible? To be honest, merely making it illegal would be a great help, plus the suggestion that surveillance might catch them in the act."

"This is my story" – that Ms Tham shared: "I have an upstairs neighbour who smokes several times a day. The smoke wafts down, even if we close all our windows and doors. We've tried appealing to him (and his landlord). We've asked him to alert us in advance when he is about to smoke, or smoke at designated times so that we can close our windows and doors in advance. However, he refused to do so and the response we got from him and his landlord was that 'it is not illegal' for him to smoke in the balcony."

"My father-in-law passed away in 2021 from nose cancer, despite not being a smoker. Both his elder brothers passed away from nose cancer. His sister passed away from lung cancer. This is why my husband and I are highly concerned about second-hand smoke."

Sir, I hope we can put ourselves in Ms Tham's shoes and imagine her helplessness to protect her family from the silent killer that is second-hand smoke. Her story is one that would be familiar to many Singaporeans and Members of this house. I know I sound like a broken record but I hope the Ministry will study this issue much further and consider whether a similar presumption clause may help to address the problem of second-hand smoke in flats. Sir, notwithstanding these points, I stand in strong support of the Bill.

Mr Speaker: Mr Leon Perera.

2.17 pm

Mr Leon Perera (Aljunied): Mr Speaker, Sir, the Environmental Public Health (Amendment) Bill seeks to make several changes. One group of changes affects the licensing of cleaning businesses and the roll-out of the Progressive Wage Model for this sector. Another group of changes relates to the dumping of waste from vehicles and yet another, extends the time period for which an offence can be determined.

Sir, I support this Bill, as the measures are, taken as a whole, a step in the right direction for evolving the cleaning sector and regulating the penalty regime for littering and dumping.

However, I will raise several points of clarification on areas where there are risks associated with the provisions in this Bill, where I hope the Government can provide some assurances and consider appropriate provisions in subsidiary legislation. My clarifications and suggestions centre on clause 5 of this amendment Bill which amends section 17 of the original Bill.

To be clear, littering from residential flats is a serious problem. It poses public health challenges and lessens quality of life.

High-rise littering cases are on the increase, as is NEA's deployment of cameras and enforcement actions in respect of high-rise littering.

In spite of the number of cameras and enforcement actions, the level of deterrence embodied in the law and enforcement mechanisms will need stepping up to address the fact that more flats, which are taller and denser, are being built across the island; and the fact that more people are working from home all or some of the time.

In this Bill, the new Clause 17A holds the owner or tenant to be responsible for litter emanating from any flat that lands in a "public place". It then holds every owner or every tenant of the flat equally liable.

The Ministry's press release states and I quote: "The presumption can be rebutted by the owner/tenant by proving that he/she was not present in the flat at the time of the offence, by proving that he/she could not have been the offender, or by providing the identity of a person reasonably believed to be the offender to NEA within 14 days of being required to do so."

The effect of the presumption is that unless rebutted, it presumes that the owner or tenant is the offender and thus makes the owner or tenant liable for the acts of the offender, if the owner and offender are different people. In cases where the offence may have been the result of someone else – say a visitor or workers working in the flat – in such cases, the burden of proof will be on the owner or tenant to prove their innocence in the face of a default assumption of their guilt.

I have the following clarifications to make. Going forward, when I refer to the owner, I will mean either the owner or tenant depending on what is relevant in each case of an offence.

My first clarification is, what is the standard of proof that needs to be met by the owner to rebut the presumption of guilt? Must the owner prove this beyond reasonable doubt or can they prove this based on a balance of probabilities?

For example, if there was some other culprit – say a team of workers doing renovation work in the apartment – would the owner need to prove beyond a reasonable doubt that they were not at home at the time of the offence in addition to demonstrating that the works were being done at the time?

Also, can the Government share some examples of what such proof would look like? Some information from an IT system that shows the location of one's mobile phone and/or computer at the time, for example? Or the testimony of an eyewitness who is not conflicted, who could place the person somewhere else at that time?

Another scenario – if there are joint owners, would the authorities remove liability from one of the owners if he or she demonstrates that he or she was not present in the flat at the time of the offence, leaving the other owner to bear 100% of the fine?

One observation I will make here is that if the burden of proof falls on the owner in all cases, this may result in unintended consequences and I will return to that later.

I have another clarification here to put to the Government. Section 17A(5) provides that the presumption of guilt is rebuttable by proving any of these: (a) contravention committed by person other than presumed offender; (b) presumed offender not in flat at time of offence; (c) presumed offender reasonably believing someone else is the actual offender and providing the identity of that person.

My question is on part (c), what constitutes a reasonable belief? Is it the legal standard meaning that some evidence must be adduced or merely a belief accompanied by a reason?

Next, HDB flat owners have a greater likelihood of being caught for high-rise littering vis-à-vis private apartment owners. This is because the new section 17A will only apply to private apartments if the litter lands in "a public place".

This is similar to how the existing prohibition against littering under the Environmental Public Health Act applies only to publicly accessible places, rather than private estates like executive condominiums and strata-titled condominiums.

In Parliament in 2018, the Government said that private estates such as executive condominiums and private strata-titled condominiums are not regarded as such public places in law as access to these places are restricted. However, the management committee of such estates generally have by-laws to deal with high-rise littering and may turn to the courts when dealing with errant residents.

My clarification here is that would the Government work with the Management Corporation Strata Title (MCST), the committees of private apartment developments to make available its learnings in terms of enforcing these laws and regulations in HDB estates, so that those MCSTs who wish to pursue a more rigorous approach to anti-littering enforcement are able to draw on this experience?

Next, I would like to ask the Government to elaborate on how care will be taken when deciding whether or not to fine or charge vulnerable groups of possible offenders.

In the NEA's Frequently Asked Questions (FAQs) section on the new Bill, it was stated and I quote, "Will the new legislation be applicable to home owners/tenants who are elderly or mentally/physically disabled?"

NEA will be sensitive and enforce judiciously against offenders from such groups. NEA has in place an existing enforcement framework for the elderly and physically/mentally disabled offenders. The offender or his/her family members/relatives may write to NEA and provide relevant supporting documents. NEA will then fully review and consider the relevant circumstances of each case before taking any appropriate action against the owner(s)/tenant(s), which may include the issuance of a warning."

I would like to ask if a possible offender does not have the ability to write in to NEA and hence does not respond to the notice of a fine in time and does not have relatives to assist, how would the case be handled, so as to give that person a fair hearing as regards to possible evidence of innocence that they might be able to share?

In the same vein, owners who may not understand written English and may not be able to read any written notices sent by the NEA may be disadvantaged. And lower-income owners may not have the time or resources to submit evidence to prove that they were not responsible for the high-rise littering.

So, my question is, will sufficient consideration be given to such factors if such individuals seek to appeal against a fine by providing some evidence against the presumption of guilt but they have missed the deadline, for these reasons?

Lastly, Sir, I would like to discuss possible unintended consequences arising from this new presumption of guilt embodied in the new clause 17A.

What if owners require tenants to lock windows as a result of fear of fines? Or what if owners use this law as a reason to install CCTV cameras to make sure they have evidence to rebut the presumption of guilt vis-à-vis their tenants or domestic workers, which raises privacy issues? And what if the new law fuels tension between joint tenants or joint owners who may wish to push the blame to the other? To be sure, if these scenarios materialise – I am not saying they necessarily will or to a very great extent – the individuals affected may have other recourse, other means of recourse in law.

But I raise this point because the new law may, to some degree, have unintended consequences for the dynamics of relationships between and amongst the owners, other residents, tenants and workers living and working in flats. I hope the Government and other stakeholders will keep an eye on this to be ready to implement changes to the law or to how the law is enforced to address these and other possible unintended consequences.

2.26 pm

Mr Lim Biow Chuan (Mountbatten): Sir, Parliament amended the Environment Public Health Act (EPHA) in 2014, about eight and a half years ago, to impose a legal obligation on flat owners or occupiers to provide information to the authorities to enable them to better identify the person responsible for high-rise litter. The Act was also amended to double the maximum penalties for litter-related offences. I recall speaking on the Amendment bill in 2014 and supporting this Bill. I was hopeful that with the enhanced powers, NEA would be able to reduce the incidences of littering. However, I was disappointed.

Over the past few years, I regularly carried out litter picking exercises in my constituency. On each occasion, I get extremely frustrated by the huge amount of litter collected from the public areas. You can pick up used face masks, cigarette boxes, plastic bags, drink cans, drink bottles, carton boxes, all of which were thrown onto the ground. It seems that a small minority of inconsiderate litter bugs have made the environment less pleasant for the majority of residents.

I also frequently receive feedback from residents complaining about their upstairs neighbour throwing down lighted cigarettes. Residents are fearful that a lighted cigarette may land inside their flat thereby causing a fire. They also expressed frustration that NEA could not identify the offender and were unable to stop the high-rise litter.

I also get other complaints about residents who throw rice or bread from their flat to feed pigeons. The pigeons in turn cause a health hazard with the huge amount of pigeon feces all over the ground level. Many Members of Parliament would also have received complaints about high-rise litter bugs who throw food waste, plastic bags, tissue paper and other types of litter – making the ground floor unsafe for residents walking by the area.

I spoke about the issue of littering during Committee of Supply (COS) Debate in 2010 and 2018. I also filed a Parliamentary Question (PQ) in May 2022 asking NEA, what other measures can be taken to prevent littering. Minister Grace Fu in a Parliamentary reply in July 2022 said "NEA carried out enforcement actions on around 7,400 cases of littering between 1 January to 31 May 2021. For the same period in 2022, there were around 7,800 cases."

In a subsequent Parliamentary reply in October 2022, Minister Grace Fu then said, "feedback on high-rise littering has continued to outpace our efforts to enhance capabilities and measures. Prior to 2019, an average of 16,000 feedback cases were received each year. From 2019 to 2021, the feedback had increased to 22,000, 35,000 and 32,000 cases respectively." The Minister further elaborated that "Investigation into high-rise littering cases remains resource-intensive and time-consuming despite our best efforts. Effort is required to gather information to guide camera deployments and, subsequently, identify the high-rise littering offender."

Sir, this situation is really unacceptable. There is a need for the Government to send a strong signal that littering is an anti-social habit that society must frown upon.

When the Keep Singapore Clean campaign was launched on 1 October 1968 by our then-Prime Minister, the late Mr Lee Kuan Yew, the campaign aimed to make Singapore the cleanest and greenest city in the region by addressing the problem of inconsiderate littering. The campaign sought to instil in Singaporeans the importance of keeping public places clean. For many years, Singapore was considered one of the cleanest cities in the region. Why have we deteriorated to such a situation today?

Hence, I support clause 5 of the current amendment Bill to insert a presumption clause to better identify the litter bug in the flat unit. The onus now falls on the owner or occupier of the flat to identify the person responsible for any litter that originates from the flat.

Sir, I would like to humbly make three suggestions to reduce incidents of littering.

First, we should make more use of technology to ensure that litter bugs would be identified. Thus, in Marine Parade Town Council, we had bought a total number of 73 mini surveillance cameras to be deployed at areas where there are persistent complaints about littering. We also installed large signs to tell residents that there are surveillance cameras in the block. The message to the litter bug is this: if you throw litter from your flat, you will be caught and you have to face the consequences.

The present amendment to the law will assist NEA in that they can then rely on the camera footage and identify the flat from which the litter originates. It is, thus, for the flat owner or occupier to identify the litter bug staying in the flat.

In addition to any fine imposed, I would like to suggest that NEA impose a Corrective Work Order (CWO) on all littering offenders and they should serve the punishment in the estate where they were caught littering. In May 2022, I had asked the Minister for Sustainability and Environment about imposing a CWO on littering offenders. The Minister replied then that "we would also like to give first-time offenders a second chance, so that they can learn from their mistakes."

I would like to humbly urge the Senior Minister of State to reconsider the position. A CWO is meant to assist the littering offender to see for himself the huge amount of litter in the public area and to learn that it is hard work to pick up all the litter in order to keep the estate clean. And after picking up litter for two hours, the offender should go away with a better understanding that there is an urgent need to keep the public area clean. If the offender litters again, then double the CWO hours for the second-time offender.

Finally, my third suggestion to NEA is for recalcitrant offenders, HDB should consider exercising its right as the lessor to terminate the lease of the flat owner and take back the flat for breach of the terms of the lease. This is a drastic action but for those residents who are not littering offenders, there is really nothing to worry about. The Government should send a strong signal that littering is not to be tolerated and that stern action would be taken to ensure that all citizens would be able to enjoy a clean environment.

Sir, I also support the other clauses to the amendment Bill. I look forward to the day when Singapore is able to reclaim its position as one of the cleanest cities in the region – not because of our army of cleaners, but because everyone in Singapore takes their social responsibility of keeping the public area clean seriously.

Mr Speaker: Mr Dennis Tan

2.33 pm

Mr Dennis Tan Lip Fong (Hougang): Thank you, Mr Speaker. Mr Speaker, I support the amendments in the Environmental Public Health (Amendment) Bill. However, I do have some concerns with the new proposed section 17A which creates a presumption that the owners or tenants of the property are responsible if any refuse or article is deposited, dropped, placed, thrown, scattered or spilled in or into a public place from a residential flat, for the current section 17(1)(a), (d) and (f), unless they can prove that the act was committed by another person, that the owners or tenants were not present at the flat or they are able to provide the identity of the offender within 14 days. The proposed amendments will also apply to section 17(1)(g) for any ash, hair, feathers, lime, sand, wastepaper or other substances carried by wind in a public place, and also spit or mucus, and that is under section 17A(4).

While I can understand the intention of the authorities to make it easier for the enforcement, especially with the rising number of high-rise littering cases and the amendments may well help to make prosecution easier, I am concerned that the presumption of guilt on the part of owners or tenants may place these persons in a difficult position to clear themselves, even if they were not ultimately or directly responsible for the littering, spitting or disposing acts.

I would like to give a few examples. Firstly, as regards to the Bill making a live-in landlord or landlady responsible for their adult tenants if the latter were to commit an act of high-rise littering, there is an issue of fairness. Is this really desirable, given that the tenants are grown adults and it may not be practicable to expect a landlord to be able to require the obedience of this adult tenant?

A landlord or tenant who was either not at home or even if he was at home, he might be asleep or working and had no idea whether his tenant or even family members had littered. And if he had tried asking and no one wanted to own up, would it be fair for an owner to be made responsible or be punished in such circumstances?

Many live-in owners who rent out rooms may be seniors and may not be the best persons to impose themselves on their tenants in this regard. What if an owner or live-in landlord, landlady or tenant has reasons to fear an occupier of the flat? This can be a tenant, a co-tenant or even a family member. The owner may have cause to be concerned that such a person may become abusive or intimidating.

What about parents who do not wish to inform on their children? What if two unrelated tenants of a public rental flat are confronted with such a complaint? Unless one owns up readily, one can imagine how such a complaint with the presumption of guilt will cause distress to the household of two.

This new law will put such owners or tenants in a spot vis-à-vis other tenants or family members. They may end up taking the blame themselves as passing on the allegation to the other persons may subject him, or her, to some of form of threat or abuse and going to the Police may not always be a desired course of action for a loved one.

Will the authorities exercise some form of discretion not to prosecute owners or tenants who might be put in a spot by the new law in the way that I have described? If so, will the Senior Minister of State explain how this may work, so that there will be sufficient clarity, as well as certainty?

The prosecution under the new proposed provisions would envisage not just complaints made by a third party who has witnessed litter being thrown down. NEA would often have installed cameras after receiving feedback and the cameras would have taken down video footages of littering acts.

Let me take this opportunity to also ask a few questions about NEA's use of cameras to carry out surveillance.

Mr Speaker, I understand that between 2019 and 2021, NEA investigated an average of about 29,700 high-rise littering feedback instances annually, which is an increase of about 77%, compared to the average of 16,800 high-rise littering feedback instances annually from 2016 to 2018.

Over the same time period, NEA has also deployed an average of 2,400 cameras annually and conducted about 1,500 enforcement actions annually against persons caught for high-rise littering. I note from the cases I have encountered that NEA may not always install cameras after each complaint. May I ask the Senior Minister of State whether there must be a minimum number of complaints or feedback received on a particular unit or culprit before a camera is installed, or are there also any other criteria before a camera is installed?

May I also ask whether cameras will be installed for multiple feedback received on persons who spit in public on a regular basis, for example, spitting along the common corridor or void decks of HDB blocks or from the windows of their unit?

May I also ask the Senior Minister of State whether she can share with the House what are some of the challenges encountered by NEA with the use of cameras, particularly, if such challenges restrict more ready usage of cameras following each complaint and whether there are any plans to increase deployment of cameras to deter high-rise littering, even with the proposed amendments in this Bill we are now looking at? Mr Speaker, notwithstanding my queries and concerns, I support the Bill.

Mr Speaker: Mr Liang Eng Hwa.

2.39 pm

Mr Liang Eng Hwa (Bukit Panjang): Mr Speaker, I will focus my speech primarily on the new sections 17(A) of the Bill. Sir, notwithstanding this amendment, which I support, we need to step up further measures to tackle high-rise littering.

High-rise littering is usually committed by a small number of residents. But their anti-social and irresponsible acts caused disamenities and unpleasantness to the majority. Cleaners would have to do additional rounds of cleaning just because of this inconsiderate behaviour. They could have done other work for the betterment of residents. The number of high-rise litterers that was cited by NEA of 30,000 complaints, in my view, a much smaller number than we know of, as the majority of the public are resigned to the fact that these are the problems and we have to live with the problems.

From my experience, education and anti-littering messages have no bearing or impact on this minority group, who are the habitual litterers. They will continue to throw things out of the window because they think they can get away with it. And indeed, judging by the current means and capabilities that NEA has, there is a high probability that they could throw something out of the window without getting caught. So, the deterrent effect remains very lacking.

The passing of this Bill could help raise the deterrent effect but, in my view, it would not be significant enough to deter these habitual litterers that I referred to. In other words, this new measure is still not the game changer needed. So, I urge NEA to significantly increase capabilities to tackle this high-rise littering problem. In particular, to harness technologies, as well as to be equipped with forensic means to do the investigations.

To achieve effective deterrence, NEA would need to beef up its investigative capabilities, step up its zealotness to solve each of the high-rise littering case. Often, it takes quite a while for NEA to mobilise its resources to deploy the surveillance equipments. I believe this is not for lack of trying by the ground NEA officers but, rather, these hardworking officers are just not armed with sufficient tools and ammunition to be effective.

NEA needs to invest in more and better high-rise surveillance equipment and NEA also needs to build up stronger capabilities to investigate, including deploying forensic tools, such as DNA; the sort of capabilities that the Police possesses. A case in point is in the Spottiswoode condo killer litter case. As it involved a sad fatality, the Police took over the investigation and, within 10 days, the high-rise litterer was apprehended and prosecuted.

Why would NEA not have the similar capabilities, given the many near fatally high-risk littering posed to the public? Littered cigarette butts, for example, thrown out of the window, could have caused a fire in the units below them. In my constituency, I do have many of these long-standing high-rise littering cases which have gone on for years. NEA officers has attended to the cases but the littering continues.

Just to pick one case at Blk 203, Petir Road; where residents have raised this for years, but the litterer continues to throw things out of the window. Perhaps, I can throw this challenge to the NEA team to attend to this case at Blk 203; just one of the many cases that I have and demonstrate that with the means and capabilities that NEA has, the litterer can be taken to task in the next three months.

If that can be done, it will certainly strengthen the deterrent effect and greatly reduce the incidences of high-rise littering.

Mr Speaker: Ms Joan Pereira.

2.43 pm

Ms Joan Pereira (Tanjong Pagar): Mr Speaker, Sir, the beneficial impact of the Progressive Wage Model (PWM) for the waste collection and materials recovery sub-sectors is very welcomed. These workers are providing essential services and their wages should reflect their valuable contributions. They should also be adequately compensated for the very challenging nature and conditions of their jobs. The PWM provides the structure to address these issues and uplift their professions.

The inclusion of these sub-sectors in PWM shows the growing recognition of their very important roles. It is also necessary to have a formal career progression framework to attract more local workers. There are very specific skillsets required to manage effectively and efficiently. Continuous improvement and retraining are needed to increase productivity in these sectors.

For the new licensing framework, the increase in paid-up capital will provide differentiation among classes of providers. The customers will be able to select suitable companies based on their capabilities and resources. The system will encourage providers to improve their workflows and innovate to boost productivity and raise service standards.

With greater innovation and increases in productivity, the working conditions of workers in this sector will also improve. I urge the Ministry to provide more support to these companies to help them and their workers to progress.

However, we must also remember that public education, effective usage of recycled materials as well as meaningful partnerships between the industry and Government are equally important components in our anti-littering campaigns and sustainability efforts. I also hope that Government support can be focused on collaborative partnerships to achieve a zero-waste future for Singapore.

For example, the Ministry can consider allocating Government grants for waste management companies to run public school education campaigns and anti-littering campaigns or channel funding to industry collaborations that encourage the use of recycled materials. Sir, in Mandarin.

(In Mandarin): [Please refer to [Vernacular Speech](#).] Public education, effective usage of recycled materials as well as partnerships between the industry and Government play equally important roles in our sustainability efforts. I hope that Government support can be focused on collaborative partnerships to achieve a zero-waste future for Singapore.

Mr Speaker: Mr Yip Hon Weng.

2.46 pm

Mr Yip Hon Weng (Yio Chu Kang): Mr Speaker, Sir, I applaud the amendments to the Environmental Public Health (Amendment) Bill.

Waste management and cleaning are essential tasks for the functioning of our society. They are also often physically demanding and hazardous. We must do more to recognise and value the contributions of workers in these sectors. This will make the industry more appealing and safer to work in. I wish to seek clarifications on three key areas of the Bill.

First, Mr Speaker, Sir, it is imperative that we continue to expand the Progressive Wage Model (PWM) to more groups of workers. I fully endorse diversifying the types of sectors that will benefit from the PWM.

Are there plans to extend the PWM to other sub-sectors in the industry beyond waste management and materials recovery? If so, which sub-sectors are these? What is the median income of these workers? Furthermore, what is the timeline to onboard them onto the PWM?

Likewise, for workers who are not yet on PWM, how will skills upgrading be made more accessible to them?

Before we can even talk about PWM, the workers have to be paid. As we push for better wages and improved earning power for workers, these efforts come to naught if workers are not paid punctually by their employers.

It is disheartening to hear of reports where cleaners do not receive their wages on time. A 2021 report revealed that 57 licensed cleaning companies did not pay eligible cleaners bonuses or progressive wages. Another 52 firms were issued warnings for similar breaches. Are there more recent statistics that indicate whether this situation has improved?

As we seek to enhance the Cleaning Business Licensing Framework, I propose that the track records of companies on timely payment of wages and bonuses should be taken into consideration when they apply for licences.

Recalcitrant offenders must be held accountable. They should be required to demonstrate that they are proactively resolving this issue before their licences are approved or renewed.

In order for workers to fulfil Workforce Skills Qualifications (WSQ), I propose that companies should be mandated or incentivised to give workers paid time off from work for training.

Without this, it would firstly be difficult for workers to find the time and energy to attend these courses. Secondly, it is the companies that stand to benefit from qualified workers. As such, it is only fair that the companies pay for this benefit.

The proposed amendment of "Waste management licensees will be prohibited from deploying individuals in waste management work unless they are employees of waste management licensees" raises questions about who these individuals and workers are.

How many of such workers are there and what percentage of the sector does this represent? What are the motivations behind this amendment?

I agree that the proposed amendment is a step in the right direction. In particular, this will ensure that workers in waste management work are adequately trained and compensated under PWM. Otherwise, the existing manpower crunch in the sector will only worsen.

Second, Mr Speaker, Sir, while I support efforts to strengthen the cleaning industry through the Cleaning Business Licensing Framework, it is critical to have specific and viable targets and plans to achieve this.

The framework's goals of developing a skilled and resilient workforce as well as creating better employment opportunities are commendable. Nonetheless, it is important to acknowledge that the demanding nature of the work as well as constant exposure to unsanitary environments has discouraged some individuals from entering the field.

To attract Singaporeans to this sector, we must do more to value the contributions of cleaning and waste management professionals. This includes enhancing working conditions, incentives and career development opportunities. What are the specific plans and measurable outcomes that have been established to achieve these goals?

Furthermore, with regard to the revised framework, I understand that there is a significant difference in the requirements for Class 1 and Class 2 licences, specifically in terms of paid-up capital, which is 10 times more for Class 1.

What are the tangible incentives for businesses to upgrade from Class 2 to Class 1 licence? Are there specific targets for increasing the number of companies making the transition from Class 2 to Class 1 licences? If so, are the benefits sufficient to incentivise them to do so?

Lastly, Mr Speaker, Sir, as we work to strengthen our efforts to combat littering through the implementation of a new statutory presumption clause, it is imperative that we ensure both clarity and robust enforcement.

To that end, I would like to know what percentage of littering cases are currently being attributed to children, the elderly or individuals with certain disabilities.

I fully agree that care and compassion should be exercised in investigating cases involving these groups of people. However, we must also recognise that being elderly or having some form of disability should not be a free pass to commit high-rise littering or any other forms of littering offences.

Flats have rubbish chutes on every floor and some even within their homes. As such, inconvenience should not be an excuse.

In cases involving children, parents or guardians should bear the responsibility of educating them, especially if it is a repeat offence. Stronger enforcement measures should be taken if the household continues to be found guilty of littering despite multiple warnings, education attempts or fines.

Unfortunately, there could also be a possibility that disingenuous individuals may push the blame for littering to individuals that are incapable of being found guilty of an offence, such as children under the age of 10. How will investigation officers determine whether these individuals are pushing the blame to children or other mentally incapacitated relatives and tenants in order to escape the penalties?

I understand that there may be operational difficulties in implementing this statutory presumption clause. I cite as an example a flat owner who leaves his flat for a walk at night when the offence occurred. How does the owner prove that he was not at home if there is no alibi? Will checks be made against the Police cameras at the lift lobbies?

If the presumption is difficult to rebut, it may be too onerous for residents who have limited abilities or resources to defend themselves. I am also concerned that some flat occupants may act in an inconsiderate manner, thinking that the responsibility is being placed on another tenant or on the owner of the flat.

Can the Ministry share what are the specific targets to determine the effectiveness of this new clause? How will progress be measured? What factors will be taken into consideration in measuring its success? What other plans and measures is the Government considering to bring down the number of high-rise littering cases?

Complaints about high-rise littering have in fact doubled between 2019 and 2021 as compared to between 2016 to 2018. The proposed amendment is timely as this would reduce cost in proceedings against individuals who commit high-rise littering and allow for more effective use of public resources.

As we work to strengthen our enforcement efforts against littering, we should not forget the full range of penalties available to us, including the use of Corrective Work Orders (CWOs). While fines may be an effective deterrent for some, they may not always have the desired impact for those who can afford to pay the fines without feeling the pinch.

In conclusion, Mr Speaker, Sir, I believe the initiatives are positive steps towards transforming our cleaning and waste management sectors and addressing the issue of high-rise littering from residential flats.

Nevertheless, to truly tackle this problem, we cannot just rely on one or two tweaks. We need a systematic and comprehensive approach that addresses the underlying causes of littering and focus on how to tackle the issue effectively.

We need to move beyond industry development and enforcement.

One key lever is through education and changing norms and behaviour. We must embrace a culture that reduces waste, avoids buying unnecessary items and practises consumption in moderation. By doing so, we create less waste and have less of a need to manage it.

Besides, we must all strive to adopt and maintain good social habits to keep our environment and community clean. No number of cleaners or cleaning technology can keep up with the daily littering habits of hundreds and thousands of residents. Moreover, deploying more cleaners ultimately leads to higher service and conservancy (S&CC) fees. This may perpetuate the mentality that residents are paying for the service and should make the most use of it. It creates a vicious cycle.

I recognise that public education on these issues is challenging and takes time. But public education is still essential for creating a society that is civic-minded, considerate and cares for the environment. We must persist in our efforts and work towards fostering a culture of sustainability and environmental responsibility. This is critical to preserve our environment and ensure a sustainable future for generations to come. I support the Bill.

Mr Speaker: Mr Gan Thiam Poh.

2.56 pm

Mr Gan Thiam Poh (Ang Mo Kio): Thank you, Speaker. More and more new buildings will be equipped with pneumatic waste conveying systems. It is the responsibility of all owners, including strata owners, to ensure that the systems are functioning properly to move waste efficiently to keep the building and surrounding environment clean.

I support the new Bill's proposals that empower the Director-General to take enforcement actions against property owners who fail to maintain, repair and replace their systems.

May I ask the Minister, does the Ministry keep track of the cost of the system, including mechanical and maintenance costs, for comparison with the labour cost saved and what is the approximate difference? Undoubtedly, besides increased productivity, such systems also bring other benefits, such as environmental benefits and so on. Speaker, in Mandarin.

(In Mandarin): [Please refer to [Vernacular Speech](#).] I support the new regulations on high-rise littering from HDB flats.

It is reasonable to assume that the registered landlord or tenant is the offender. If the person who litters is a guest of an HDB unit, the owner is also responsible for taking care of this problem. I would like to ask the Minister whether the authorities can continue to explore how to curb the incidents of objects thrown from public corridors and stairways of HDB flats and punish the violators more severely.

For some, fines and Corrective Work Orders (CWOs) are not enough to curb this bad habit of high-rise littering. I would like to ask the Minister to consider authorising NEA to order home owners who have recalcitrant household members to install netting on their windows. This should greatly reduce the chances of random throwing, especially for those with mental or psychological problems, including those with dementia and those with special needs.

For now, camera footage can only occasionally capture those throwing litter from the windows. In order to avoid being accused of violating personal privacy, the cameras can only be aimed at the outer walls. A resident asked me if residents living below the offending units could be allowed to install cameras pointing upwards from their windows in an attempt to identify residents throwing rubbish from above, while not violating their privacy.

Will the new Bill penalise those who throw food to feed birds?

Could NEA also investigate and penalise those who have left rubbish along public corridors and in common areas, since there are often their address or other identifiable markings left on the rubbish?

Can NEA also punish those irresponsible contractors and home owners who dispose of their renovation debris and packing cardboards downstairs? These large quantities of waste can cause safety and environmental issues, especially in newly completed HDB blocks where they accumulate in large quantities. In this case, it should not be hard to figure out the identity of those culprits. I hope the Minister will consider the above suggestions. I support the Bill.

Mr Speaker: Ms Poh Li San.

3.01 pm

Ms Poh Li San (Sembawang): Speaker, Sir, Singapore has very strict laws to maintain law and order and littering of any kind is an offence. However, even with such strict laws, we will still require an army of more than 40,000 resident cleaners and 3,000 waste collection crew to ensure Singapore remains a clean and green city.

This Bill proposing to implement the Progressive Wage Model (PWM) for workers in the waste collection and materials recovery sub-sectors is one that I support wholeheartedly. Waste collection is tough, physically demanding work and gruelling. Rain or shine, these workers will be out there collecting our trash. This is difficult work and such jobs will not appeal to most Singaporeans.

At present, there are about 3,000 resident waste collectors. Many of them have young families with school-going children to support. Most are not well-educated. In order to assist them, we should provide opportunities for them to learn new job skills and be able to earn a higher salary.

The PWM for the waste management industry will increase baseline wages in a sustained manner over a six-year period from 2023 to 2028. Entry-level wage for waste collection crew will grow 8.1% annually from \$2,210 in 2023 to \$3,260 in 2028. They will also enjoy overtime payments and mandatory annual bonuses.

The pandemic has effectively raised the gross monthly salaries of waste collection workers in the major waste companies to above \$3,000. Currently, there are three main public waste collectors, namely SembWaste, 800 Super and Alba W&H Smart City that are appointed by NEA to collect waste from domestic and trade premises across the entire country. During the period when there were border shutdowns, it was difficult to hire foreigners to assist us in this sector. Thus, the major waste collection companies had to increase wages in order to attract locals so that the companies can fulfil their contractual service level requirements. And the response was acceptable as the wage increases proved to be quite effective! Money is clearly a deciding factor.

Although the bigger players in the industry have largely moved ahead with wage increases, PWM will formalise the salary increase across the entire industry. Smaller waste collection companies will also need to keep up with the revised pay structure accordingly.

The PWM for the waste collection industry will ensure fair remuneration to these essential workers for their indispensable services. We hope this wage model will be able to attract certain younger workers to have an open mind and join the sector and assist us to maintain our public hygiene and health standards.

Needless to say, it will be extremely challenging to attract younger people to work in this sector and deploying more valuable manpower resources just to collect waste will be a daunting task. We will have to leverage on technology, better design and changes in work processes.

In recent years, the waste industry has undertaken commendable efforts to automate the waste collection process. For instance, the most commonly seen Rear-End-Loading (REL) waste trucks are operated by three staff – a driver and two attendants. With the push of a button, the loader will tip the waste containers over and dump the waste into the truck. This helps the attendants with the heavy lifting. However, this is only possible after some necessary adjustments are made. The REL trucks will need to be automated more.

Since April 2018, the new huge blue recycling bins have gradually replaced their older and smaller predecessors in many towns. The new blue recycling bin is a good example of how technology and design can help to save manpower. Firstly, the blue bins have three times the capacity of its predecessors, hence collection frequency can be reduced. Secondly, the side loader truck only requires one driver to operate the loading process, as the lifting and tipping of the recycling bins can now be fully automated. Hence, a typical three-men team can now be reduced to only the driver who doubles up as the operator.

However, there are still constraints on the ground which pose limitations to proliferating these large blue bins across all parts of Singapore. For instance, in private estates with narrow driveways, the side-loader trucks do not have sufficient clearance to position itself precisely for the automated loading of the recycling bins. Hence, an attendant may still be required to complete this last mile.

Switching to new equipment and technology requires heavy capital investments upfront by the waste collection companies. Although companies would save manpower costs in the long run, the upfront cost of buying a new fleet of side loading vehicles is a significant investment. They will also need to consider their contract duration with NEA. It is a big business risk for the waste companies. Hence, to drive change and adoption, Government grants and longer contract periods must be provided to allow these companies to sustain.

If the Government is able to assist them, these companies must move towards the right direction, to leverage better design, more efficient work processes and use technology to address challenges. They must continue to think creatively and work fast to implement innovative solutions.

Currently, with higher wages and heavier investments, waste management companies will be faced with higher operating overheads. To ease the cost increase, the companies can tap on transitional wage support that is provided under MOM's Progressive Wage Credit Scheme. Consumers will also be expected to assist in the cost increase.

Cost increase will always be a contentious concern especially with the rising costs of living. Therefore, a fairer approach towards cost increase is inevitable and the waste collection fees will have to be better structured based on a fair user-pays costing principle.

Currently, the monthly waste collection fees are set at \$9.72 for HDB flats and condominiums based on household units and \$32.37 for landed housing. This is a flat fee structure and does not take into consideration the number of occupants and the amount of waste that is generated within each household.

The current flat fee structure is easy to administer but it does not incentivise occupants to reduce their waste generated. We could consider implementing a more sophisticated data management software, to vary waste collection fees according to the size of each household. This way, a higher fee could be applied appropriately.

If everyone consumes less, recycles more and generates less waste, we will all be able to fundamentally cope with our national waste management and reduce the waste generated. Social responsibility and civic-mindedness are key to any good solution.

At home and at the workplace, we should sort and pack waste according to wet or dry waste, so that they do not mess up the trash bins or create foul odours and attract pests. These considerations will help to keep our trash bins cleaner and less smelly, making the collection job easier for the crew.

Compared to most countries, dumping waste in Singapore is a relatively fuss-free activity because of the ubiquitous presence of trash bins. Truth be told, we may have become victims of our own success because these bins would require a lot of workers to clear on a regular basis, whether they are full or not.

To reduce the manpower required, we should rethink how we can effectively reduce waste collection requirements. For instance, for certain areas, NParks and Town Councils could consider using bigger bins, reducing the number of trash bins and place them further apart in public places. This will reduce the number of collection trips and the staff that is needed. But that also means people must be prepared to walk further to dispose of their trash and going to another trash bin if the nearest one is already full.

We should recycle more and be more environmentally friendly. In 2021, close to seven million tonnes of solid waste were generated and about 55% was recycled. In recent years, we have stepped up our recycling culture and have seen encouraging improvements. However, our recycling rate is still lagging behind countries such as Germany and South Korea. We should continue with more public education efforts and recycling drives to encourage ground-up recycling practices.

As mentioned, it will take strong civic-mindedness and social responsibility to encourage people to be more conscious about recycling and proper disposal of their litter. Such lifelong habits are best learnt in schools and at home from a young age. We should all try to be more considerate and care about the welfare of our fellow Singaporeans who are working hard to assist us to clear our waste on a daily basis. Let us do our part and not make their job harder than it already is.

Mr Speaker, in conclusion, I would like to propose a multi-pronged approach to address our long-term challenges in the waste management sector. Other than growing the pool of waste management crew with the PWM, we will need to leverage better design and technology and improve work processes to automate the waste collection process. We also need to look at a fairer waste collection fee structure to support the cost increase. Finally, all of us should make a conscious effort to generate less waste and be more civic-minded in how we dispose of our trash. Mr Speaker, I would like to conclude with my full support for the Bill.

Mr Speaker: Ms Ng Ling Ling.

Ms Ng Ling Ling (Ang Mo Kio): Mr Speaker, in 2020, when the Ministry of Sustainability and the Environment (MSE) amended the Environmental Public Health Act, Minister Grace Fu spoke about the aim of the Government to keep Singapore clean and safe through collective action and co-ownership. I agree with this approach.

I am thus very heartened to read the further introduction of the Environmental Public Health (Amendment) Bill, with a focus on issues close to the hearts and lives of most of our residents. Ensuring a cleaner living environment in our estates and uplifting the waste management and cleaning sector in Singapore are areas I believe to be important to attain high public health standards for a better quality of life for all Singaporeans, including my residents in Jalan Kayu.

My speech will focus on three considerations related to the Bill: one, suggestion for mandatory education or counselling for re-offenders of high-rise littering; two, cost considerations for the proposed revision in the cleaning business licensing framework; and three, creating a conducive environment to uplift workers of waste collection and waste disposal services.

Firstly, on MSE's proposed insertion of a new section 17A which would presume that the act of high-rise littering from a residential flat is committed by its owners or tenants, I am supportive of it as a stronger deterrent against high-rise littering. I recall in October last year, Minister Grace Fu shared in this House that the number of complaints about high-rise littering had almost doubled from an average of 16,000 annually before 2016 to 32,000 cases in 2021.

A major concern I often hear from my residents is the high-rise littering of cigarette ashes and butts. Many residents are not only asking for their homes to be kept clean and safe from such unwanted litters, but they also raised a valid fire safety concern, especially when the clothes that they hang out for drying catch the cigarette ashes and butts. Our Town Council cleaners are often called upon to clean up these litters thrown down by irresponsible home owners or tenants, spreading the cleaners thin on their daily cleaning duties in the estate. Between 2019 and 2022, 54% of total high-rise littering offences enforced by NEA were for high-rise cigarette butt littering.

A stronger deterrent through adding clause 17A is a policy enhancement that I support to change behaviours and habits. In addition, I hope to recommend that stronger penalties be imposed on high-rise littering re-offenders. Currently, under the amendment Bill, individuals who commit a littering offence is liable on conviction to a Court fine of up to \$2,000 for a first conviction and higher amounts of \$4,000 to \$10,000 on second and subsequent convictions. Furthermore, a Corrective Work Order (CWO) for up to 12 hours can also be imposed by the Court.

For first-time offenders, a fine of \$2,000 may be able to deter them from committing the offence further. However, for repeat offenders, I wonder if there are deeper habitual behavioural issues causing them not to be able to restrain themselves from such irresponsible actions. Besides monetary fines to seek behavioural changes, I suggest that a CWO be complemented with a mandatory education or counselling session for re-offenders so that we can address root causes leading to these re-offences.

Secondly, the Bill seeks to amend section 80G to enable the Director-General of Public Health to issue different classes of cleaning business licences and to replace the eligibility criterion for an applicant of a cleaning business to meet certain paid-up capital, bizSAFE certification and clean record with no conviction.

Although I understand the intention for these higher standards is to drive up public health standards of cleaning businesses, I would like to seek clarifications from MSE whether considerations have been given to potential cost increases that cleaning companies may face to meet these higher licensing requirements. Cleaning companies are already facing manpower crunch and higher costs to implement the PWM. Has MSE considered what further costs may cleaning companies need to incur to meet the requirements and who these costs will be passed to?

Instead of merely imposing higher licensing requirements, like my fellow hon Parliamentary Member, Ms Poh Li San, I would like to suggest for MSE to work across relevant agencies and Ministries to provide concurrently an automation and capabilities enhancement grant with platforms that cleaning companies can learn what practical and scalable automation they can utilise in their cleaning processes, such as enabling them with knowledge and grants or partnership with Institutes of Higher Learning (IHLs) to experiment with technologies like cleaning robots in HDB flats to see how this technology needs to be iterated and enhanced for it to work in the estates at higher scalability. I hope this will enable the cleaning companies to increase productivity even as they need to invest in more essential costs to keep higher standards.

Lastly, the new proposed sections 23A(2) and 31AA(2) are introduced to enable regulations to be made to require waste collector and waste disposal licensees to implement the PWM for their workers. I am very supportive of this move by MSE to legislate and enable workers from the waste management sector to benefit also from the PWM.

Besides baseline wage growth through PWM, I hope that the Government can consider the intangible aspects of the cleaning and waste management sectors by enhancing respect, dignity and appreciation for our cleaners and workers in these sectors. I hope MSE can strengthen tripartite cooperation within the sector to create platforms through the Government, employers and union to give social support and recognition to these workers.

Similar to the Migrant Workers' Centre Recreation Club, I would like to suggest that the Government work with the union to set up a recreation club for our cleaners and workers from the waste management sectors to better support their social recreational needs, mental well-being and to show appreciation for the hard work and dedication that these unsung heroes give to keep our environment clean. Mr

Speaker, please allow me to speak some words in Mandarin.

(*In Mandarin*): [Please refer to [Vernacular Speech](#).] Mr Speaker, I support the Environmental Public Health (Amendment) Bill tabled by NEA. I have some comments and suggestions.

First, the Bill will add a new presumption clause to HDB high-rise littering cases to assume that the registered owner is the offender. I feel that the addition will enhance the deterrent effect and the awareness of flat owners and tenants on public health issues and make them take on greater responsibility to prevent littering from their units. I also hope that the Government will step up the education and disciplinary measures for repeat offenders and raise their awareness of environmental public health through compulsory education or Corrective Work Orders (CWO) programmes.

Second, I understand that the Government will amend the waste management licensing framework to encourage businesses to raise wages at all levels to help attract and retain workers, and to ensure that they have sufficient funds to train workers to raise their productivity. However, I am also worried that requiring businesses to comply with the salaries set by the authorities will cause them to raise prices. Therefore, I hope that the Government will set up the waste management innovation fund to encourage businesses to adopt innovative and fully automated technology tools, as well as strengthen the staff training to raise productivity.

Third, I also support the Government's move to amend the licensing framework for waste management operators to prepare them for the Progressive Wage Model (PWM) to be implemented from July 2023. The implementation of PWM will benefit about 3,000 local workers. While raising the basic salary of workers, I also hope that the Government and unions will pay more attention to the welfare of waste management workers and cleaners. I suggest providing better public social assistance and considering setting up a waste management worker recreation centre, similar to the Migrant Workers' Centre Recreation Club, to provide them with recreational activities to help them relax.

(*In English*): Mr Speaker, let me end my speech with a quote by renowned conservationist, Dr Jane Goodall. She said, "Each one of us matters, has a role to play, and makes a difference. Each one of us must take responsibility for our own lives, and above all, show respect and love for living things around us, especially each other."

This quote comes close to my heart as I speak on this Bill. I believe everyone is responsible for keeping our community clean and liveable. It is the ultimate mark of mutual respect for one another to help take care of our environment. I would like to end my speech with a deep thanks to all our cleaning, waste collection and waste disposal workers for your daily hard work in keeping Singapore clean. And let us all also do our part. Notwithstanding my considerations raised, I support the Bill.

Mr Speaker: Dr Wan Rizal.

3.23 pm

Dr Wan Rizal (Jalan Besar): Mr Speaker, I rise in support of the Bill. The Bill proposes several key amendments. In my speech today, I will focus on two.

First, I welcome the introduction of the Progressive Wage Model (PWM) for waste collection and disposal workers. This is an essential step for our essential workers. It includes paying workers a baseline wage, overtime and an annual bonus per the Tripartite Cluster for Waste Management's recommended wage schedule. I understand that the wage schedule is expected to stretch to 30 June 2029. However, I hope that this schedule can be shortened by increasing the opportunities to upskill workers and introduce technology.

Sir, this Bill also aims to address the growing concern of high-rise littering. Just last week, a resident approached me and shared his long-time frustration at a neighbour throwing a cigarette butt out of the window and onto his air-condition ledge and sometimes, into his room. He shared the difficulty the agencies had in catching the culprit despite the deployment of cameras and enhanced surveillance.

Sir, he is not alone. Many others have shared similar experiences. Sometimes, litter in the form of food, face masks, tissue papers land in their rooms and it is certainly distressing especially if they have children or elderly family members at home.

Complaints about this similar issue have nearly doubled over the past few years, and it is imperative that we take swift and effective action to address it.

Despite the increased deployment of cameras, the success in curbing high-rise littering has been incremental. The proposed clause would make it easier for NEA to take enforcement action against littering from residential flats by automatically presuming the registered owner or tenant is the offender. The proposed fines, starting at \$2,000 for the first offence and increasing with subsequent convictions, will serve as a strong deterrent against littering.

Recently, I conducted house visits together with the Public Hygiene Council. We sought residents' views on the proposed presumption law and were glad that every resident was supportive of this move. Nevertheless, I understand that there may be some concerns regarding the implementation of this Bill.

The Bill's proposal of the presumption of guilt for flat owners and tenants may raise questions about due process and fairness. Could the Ministry share and elaborate further on its plans to ensure that members of the public understand the processes and their cases would be dealt with fairly?

Additionally, could the Ministry provide assurances and examples on how the enforcement process would consider the well-being of the elderly, young children and vulnerable groups, including those who are facing mental health issues?

Sir, I ask this because I have come across cases where the offender is facing mental health issues. Often, they are considered serial offenders and despite continuous intervention and support from their own family members, the Residents' Committee (RC), the Town Council, NEA as well as the Police, they continue to litter. Would the Ministry then consider working closely with the Institute of Mental Health (IMH), for example, to provide mandatory counselling support? Similarly, this may be extended to the elderly.

Sir, the burden of proof to rebut the presumption could be onerous for the registered owner or tenant. They would need to provide evidence within 14 days of being notified by NEA that an offence has been committed. This could be difficult especially if they were not present in the flat at the time of the offence or if the elderly, mentally or physically disabled are the ones who are involved. Could the Ministry consider extending the period of 14 days to 30 days?

Sir, in conclusion, the Bill is important in improving the already high environmental and public health standards in our country. While I have raised some concerns and suggestions, I am confident that the Ministry will address these issues fairly to all parties concerned.

It is fundamental that Singaporeans play an active role to maintain high environmental and public health standards. We all play a part. We cannot take things for granted and we must stand for a cleaner, greener Singapore. Sir, I support the Bill.

Mr Speaker: Mr Ang Wei Neng.

3.28 pm

Mr Ang Wei Neng (West Coast): Mr Speaker, Sir, I rise in support of the Environmental Public Health (Amendment) Bill. In particular, I support clause 5, the new section 17A where the registered flat owner or registered flat tenant will be found guilty of high-rise littering if he cannot prove within a given time that he is not responsible for the offence.

Complaints in Singapore about high-rise littering have almost doubled to an average of 29,700 between 2019 and 2021, as compared to an average of 16,800 between 2016 and 2018. This reflects what I see and feel on the ground, as the complaints I received about high-rise littering increased significantly at the height of the COVID-19 pandemic, when most people were working from home.

Given that the offender typically could not be identified in about 15% of cases investigated from 2019 to 2021, I am hopeful that the amendment would lead to residents taking stronger ownership in preventing such acts from their homes.

Taking a step back from the proposed amendments, the success of whether we can even track the origin of high-rise litter stems from the effective installation of the surveillance cameras. Let me continue in Mandarin.

(In Mandarin): [Please refer to [Vernacular Speech](#).] Minister Grace Fu has pointed out in the Parliament Sitting last October that cameras monitoring high-rise littering often failed to capture it in action. Even if the high-rise littering could be recorded, NEA still has to take about three to six months to decide whether to issue a fine. Such a process appears to be time-consuming and laborious. I would like to ask the Senior Minister of State if NEA has invested sufficient funds in procuring better cameras with wide-angle capabilities that are able to obtain clear videos even in low-light environment. At the same time, I also hope that NEA has deployed artificial intelligence (AI) to detect high-rise litter, rather than using human eyes to watch videos for hours to see if there is any litter falling from height. It is less effective if you use human eyes.

Even if we finally manage to capture the unit where the litter is falling from, NEA is often unable to take enforcement actions because it is not able to identify the offender. This is regrettable. With the new presumption clause, which presumes that the registered owner or the tenant of the flat is the offender, it will greatly increase the enforcement efficiency. More importantly, this presumption clause can serve as a deterrent, allowing family members and tenants living under the same roof to monitor one another. The presumption will not affect 99% of the law-abiding HDB residents. In fact, it will be helpful in reducing the inconvenience brought by high-rise littering.

Good laws must come with effective enforcement. I would like to ask the Senior Minister of State how many surveillance cameras can NEA deploy currently to monitor high-rise littering? In the market, we know that there are many affordable and effective cameras. With this new rule in place, can NEA consider doubling the number of cameras to better monitor high-rise littering?

NEA also said earlier that elderly offenders and children will be treated more leniently when enforcing the law. This is understandable. But, in my constituency of Nanyang, there are cases of repeated high-rise littering offences committed by children. So, I would like to ask the Senior Minister of State, how many high-rise littering offenders were committed by the elderly and underaged residents in the past five years? How many of them are repeat offenders?

We know that high-rise littering does not occur only in HDB estates, but also in private condominiums, with some even involving fatal casualties. I would like to ask the Senior Minister of State if this presumption clause can be adapted and applied to private condominiums?

(In English): Mr Speaker, Sir, let me move on to the other topic of Progressive Wage Model (PWM) which also constitute an important part of the amendment Bill. With about 3,000 Singaporeans and Permanent Residents (PRs) working in the waste management sector, the increase in their wages over the next six years under the PWM is timely and welcome.

The question is always the cost. Who will pay for this wage increase? This is an important question as Singaporeans have already experienced high inflation in the past year and the inflation rate is likely to remain high in the next one year. How much of the pay increase is likely to be subsidised by the Government or absorbed by the employers or would the industry players be likely to transfer the bulk of the wage increase to the end consumers? Meanwhile, I would also like to ask the Senior Minister of State, are there plans to justify the increase in wages by increasing the productivity of the sector with better-trained workers and technology? Notwithstanding the above queries, I support the Bill.

Mr Speaker: Mr Desmond Choo.

3.34 pm

Mr Desmond Choo (Tampines): Mr Speaker Sir, I rise in support of the Bill. I would like to speak on the statutory presumption clause for high-rise littering and the cleaning business licensing framework.

High-rise littering has been on the rise with no signs of abating. Our cleaners bear the brunt of such inconsiderate and wanton behavior. They are often blamed for not maintaining the neighborhood. But ultimately, cleaners do not dirty the estate. Inconsiderate residents do.

High-rise litterbugs cause real dangers to innocent passers-by too. The number of complaints has doubled in recent years, but enforcement actions has stagnated at around 1,500 instances annually. I agree wholeheartedly with the hon Mr Liang that the number of complaints is probably on the more conservative side. We clearly need tougher actions. Help the cleaners, take the fight to the litterbugs.

I support the proposed statutory presumption clause. There are too many dwelling units for effective comprehensive enforcement. Owners and tenants must be made responsible for the action of their dwellers.

I would like to seek a few clarifications from the Ministry. Firstly, on the letter of intended prosecution. To rebut the statutory presumption, the presumed offender must respond within 14 days of being notified by NEA. Could the Ministry clarify if this letter will only be sent via post? If so, can NEA tap on the Government's digital capabilities to have the letter of intended prosecution to be sent electronically via email and SMS based on the registered owner or tenant's contact details in their Singpass? This would reduce vexatious cases and appeals where presumed offenders request for a longer timeline to rebut the statutory presumption by claiming that they had not seen the letter from NEA due to various reasons.

Next, on the penalties for high-rise littering. Currently, a person is liable to a fine ranging from \$2,000 to \$10,000 for littering. Corrective Work Orders (CWOs) may also be discretionally imposed by Courts where they are satisfied that it is expedient to do so. Under what circumstances would it be considered expedient? I join the hon Mr Lim Biow Chuan in urging the Ministry to consider imposing mandatory CWOs, alongside the current fine structure for high-rise littering.

In addition, where the high-rise litterbug disposes of an item which has the propensity to cause grave bodily harm, perhaps the Courts should also have the discretion to impose a jail term. I believe that this distinction is important to hold high-rise litterbugs to a higher responsibility for their actions compared to general littering in public places.

Lastly, on surveillance camera deployments to aid NEA's efforts in taking enforcement action against high-rise litterbugs, could the Ministry share the challenges in deploying cameras for surveillance? Would the Ministry also accept user-submitted video recordings as evidence for enforcement?

With the proper safeguards in place, can NEA consider working with the Singapore Police Force to tap on its network of cameras? This widens the surveillance capabilities without adding to the cost of deployment. There are natural privacy concerns. However, a framework can be put in place to balance the needs adroitly.

Next, on the revised cleaning business licensing framework. The tiered licensing framework is a clear signal that we want companies to ready themselves with the right resources and practices to develop the workforce. This is a positive move. Critical to the success of this framework must be the rewards or premium in having a higher class licence. There must be economic rewards for companies that obtain the Class 1 license. For example, only holders of a higher class licence can bid for certain projects. This creates the financial incentives for companies to upgrade themselves. There might not be such a market for these higher class licences now. But we can start to create one by having the public sector to commit to buying services from higher class license holders for projects of a set monetary threshold.

Larger firms with progressive practices can also adopt such practices, especially those which supply services to the public sector. The challenges for businesses to transform and transition are also not trivial. To support the changes to the revised framework, businesses should capitalise on the initiatives under the Environmental Services Industry Transformation Map and Jobs Transformation Map. For example, businesses could ride on the push towards Outcome Based Contracting (OBCs), where service buyers specify contract requirements in terms of deliverable outcomes instead of headcount. OBCs are now adopted by all Government service buyers and 40% of large service buyers in the industry.

The tripartite partners can encourage the take-up of the Environmental Services Job Redesign Consultancy Package. Substantial funding support is provided through the Productivity Solutions Grant to help businesses transform by streamlining operations alongside the adoption of technological solutions.

The Cleaning and Waste Management industries face an urgent need to transform. These are difficult industries that are shunned by most locals. Without the better use of technology, a rapidly ageing Singapore will face even more dire manpower challenges.

The PWM in the waste management industry will take effect later this year. It is a critical success in the ongoing work to improve the lives and livelihoods of locals working in this difficult but very essential industry. Our workers in the cleaning and waste management industries are clearly an indispensable part of our workforce. They are more than deserving of better wages and brighter prospects in the long term.

The tripartite partners have shown their commitment to ensure this with various programmes and initiatives available to these businesses. We will need to keep the momentum going to help our workers with better jobs and better pay to face the evolving challenges of the future. Notwithstanding the suggestions, Speaker, Sir, I support the Bill.

Mr Speaker: Order. I propose to take a break now. I suspend the Sitting and will take the Chair at 4.00 pm.

Sitting accordingly suspended

at 3.40 pm until 4.00 pm.

Sitting resumed at 4.00 pm.

[Mr Speaker in the Chair]

ENVIRONMENTAL PUBLIC HEALTH (AMENDMENT) BILL

Debate resumed.

Mr Speaker: Mr Darryl David.

4.01 pm

Mr Darryl David (Ang Mo Kio): Mr Speaker, Sir, despite many years of campaigning on the importance of public hygiene and cleanliness, the number of tickets issued by NEA for littering offences hit an all-time high of 39,200 tickets in 2018 before dropping significantly to 19,400 and 15,500 tickets issued in 2020 and 2021 respectively. The fall in number of tickets issued would highly be due to the curtailment of social activities during COVID-19 as the number of tickets issued are only for those who have been caught littering. The real problem of littering is likely to remain and it would be interesting to see what this number would be in 2022 and 2023 as more of society opens up.

As one of the most densely populated countries in the world, with the majority of our population living in high-rise apartments or flats, the issue of high-rise littering is also of concern. It is interesting – compared to the fall in the number of tickets issued by NEA for littering in public spaces for 2020 and 2021, the same period saw a drastic increase in numbers of complaints for high-rise littering.

From 22,000 complaints received by NEA in 2019, 2020 and 2021 saw NEA receiving 35,000 and 32,000 complaints respectively. This is likely because of more people working from home, thereby exacerbating the issue of litter being thrown out of the windows of their apartments. It is almost as if they shifted their mindset from littering in public to littering from their apartments.

The problem of high-rise littering needs to be addressed urgently because the actions of a few inconsiderate individuals can lead to the reduction in the quality of life for the rest of the residents in that entire block of flats. In more severe cases, high-rise killer litter might lead to a loss of life when pedestrians are struck by them.

At present, the burden of proof for high-rise littering lies in NEA having to identify and prove that an individual has committed the offence. The evidence is obtained from surveillance cameras that NEA deploys and flat owners only have to furnish NEA with the identity of every occupier of the flat at the time of the offence. The onus is on NEA to establish the identity of the culprits and taking punitive actions against the offenders. Clearly, this is an onerous process that is not only resource intensive but is inefficient as well.

Based on reported averages, approximately 1,500 enforcement actions were taken annually between 2017 and 2021 for high-rise littering, while NEA received an average of about 25,000 such complaints during the same period. The stark differences between the number of enforcement actions taken against high-rise littering versus the number of complaints received further drive home the point that it is never easy to take actions against those who engage in such behaviour.

I believe the amendment to shift the burden of proof from NEA having to prove that a particular individual in the flat has littered, to the flat owners and occupiers proving that they did not litter is a step in the right direction in ensuring greater efficiency in tackling the scourge of high-rise littering.

That said, Mr Speaker, the prerequisite for enforcement actions remain – there is a need for NEA to deploy surveillance cameras to collect evidence that high-rise litter originated from a particular household. With surveillance cameras being a scarce resource, I understand from Senior Minister of State Amy Khor's speech earlier that members of the public are allowed to submit footage of high-rise littering that the NEA could use to follow up on such cases.

The question I have for the Senior Minister of State and for the Government regarding this is, first of all, is there a convenient platform or a convenient app, a convenient website where the public can submit this evidence fairly easily and is fuss-free, and is it made known to the public?

Secondly, should this case have to be prosecuted in Court, will the evidence submitted by the public suffice or is the member of the public who submitted that evidence be required to go to Court to provide testimony? I think if the latter is the case, then it might actually deter some individuals from providing evidence. So, in this regard, would the Government consider the evidence submitted to be sufficient without having to require the person submitting the evidence to go to Court to provide testimony?

Next, I would like to move on to the extent of the Bill. At present, the Environmental and Public Health Bill applies only to publicly accessible areas. Private properties such as executive condominiums and private strata condominiums are regarded as places with restricted access, hence, they are not subjected to the Bill unless the high-rise litter lands on public property.

It was further suggested that cases of high-rise littering in such properties should be dealt with by the management committee with the properties' by-law or the management committee can turn to the Courts to deal with recalcitrant individuals who persist in high-rise littering.

I would like to ask if there are instances where the residents and management committees of private properties can ask for assistance from the Government to deal with egregious cases of high-rise littering and would the Government consider invoking the Environmental and Public Health Bill to prosecute recalcitrant individuals if the management committees of such properties are unable to take effective actions against them? I believe the hon Member Mr Ang Wei Neng had also alluded to this in his speech.

Mr Speaker, Sir, we have seen several high-profile high-rise killer litter cases that have happened in private condominiums. In 2019, a television was thrown out of a 10th floor condominium unit. In the same year, a wine bottle was thrown out of a condominium unit, striking a 73-year-old man, resulting in his death. In 2020, a television, sound bar and speakers were thrown out of a 50th floor condominium unit. Maybe he was unhappy with his sound system – I do not know. But as incredible, as it sounds, these things do happen. While these incidents may seem isolated and extreme instances of high-rise littering, they demonstrate that high-rise littering and potentially killer litter can also be a problem in private properties as well.

Can the Government consider providing residents and management committees of private properties a more direct route to resolve such cases instead of them having to rely on the route of by-laws and taking the matter to Court, or Court orders?

Finally, I would like to talk about the punishment for littering. I think this was touched on by hon Members Mr Desmond Choo and Mr Lim Biow Chuan regarding the matter of Corrective Work Orders (CWOs). They were first introduced in 1992 for offenders of littering to increase offenders' awareness of the impact of littering, as well as for them to experience the difficulties faced by cleaners. At present, I understand that CWOs are not mandatory and they are only one possible form of punishment for those found guilty of littering. From 2017 to 2021, a total of approximately 10,200 CWOs were issued, making up a small percentage of the total number of tickets issued during that period for littering.

I would like to ask the Government for more clarity with regard to when CWOs are actually issued and would like to suggest that the Government consider issuing more CWOs as a form of deterrence against littering, especially in egregious cases. As painful as a fine can be, there are those who might be financially comfortable enough to pay off the fine and the fine has no material or any sort of impact on them. However, performing CWOs would allow them to empathise with the cleaners and realise how their inconsiderate behaviour has impacted others. I think this is likely to be more impactful in bringing about a behavioural change instead of the issuance of a fine.

Mr Speaker, Sir, my clarifications and suggestions notwithstanding, I end my speech in firm support of the Bill.

Mr Speaker: Ms Nadia Samdin.

4.10 pm

Ms Nadia Ahmad Samdin (Ang Mo Kio): Mr Speaker, Sir, I rise in support of the Bill. I am especially heartened to note the implementation of the Progressive Wage Model (PWM) for waste management and materials recovery workers starting 1 July 2023, which aims to boost the salaries of about 3,000 resident workers. These essential workers are often unseen and unheard and the PWM will help create a roadmap for upward progression.

I have a few clarifications on the Bill. Firstly, the revisions to the cleaning business licensing framework. Licensing sets entry-level baseline standards for cleaning businesses as the industry plays an important role in ensuring a clean and hygienic environment. Three classes of licences are being introduced, replacing the current framework which only has one type of licence, renewable on an annual basis. This tiered framework means that cleaning companies have to be committed to the industry and their employees, otherwise the licence will not be renewed.

In the long run, cleaning businesses are expected to hold the renewable Class 2 licences which require licensees to hold a paid-up capital of at least \$25,000. However, in January 2023, it was observed that only one-third of the 1,550 licensed cleaning businesses currently qualify for this licence. While NEA has provided that the start date of this new framework will only take place in 2024, does NEA foresee any shocks to the industry, should a large number of companies be unable to keep their licences and provide cleaning services? Between office and commercial, food and beverage (F&B), or the conservancy sub-sectors, which does NEA foresee being most affected in terms of the provision of services and also potential loss of jobs? And does NEA have any plans to help cleaning companies and their employees make this transition?

Further, I understand that this paid-up capital requirement is being introduced to support better wages and greater technological adoption in the industry, but given that technological development and adoption requires more than just capital – for example, R&D and expertise which smaller companies may not have existing capacity for – does NEA have any schemes in mind to help these companies embrace technology?

In a similar vein, it is of utmost importance to make upskilling resources accessible to all resident workers, especially for those who may be older and not as tech-savvy or may not be fluent in English. How many WSQ courses are available in a non-English language and are these courses easily accessible and packaged as bite-sized to workers who need them? Such provisions would go a long way in helping workers upskill and grow regardless of background.

Next, on to our day-to-day living environments and the enforcement of high-rise littering. According to NEA, there has been a significant increase in such reports islandwide. In my constituency too, unfortunately, despite repeated advisories, public education and more intensive clean-ups, we do see such behaviour. And given that about 15% of killer litter culprits are never identified, the new law could place greater onus on flat owners and tenants serving as a possible deterrent.

That said, practical problems may arise when trying to enforce this new law. For instance, home owners may be overseas or otherwise uncontactable in the 14-day window by which they have to show that they are not responsible for littering. They may not be able to satisfactorily prove their innocence if they are out of the house but leave no digital or paper footprint. What steps will NEA take to reasonably clear home owners of this suspicion?

Furthermore, some cases of high-rise littering cannot be stopped by enforcement alone if they are caused by other underlying issues. For instance, repeat offenders may have mental health conditions or disabilities and some seniors have very deep-seated beliefs that are challenging for family members to correct. For example, a case of a resident who has dementia and throws items out of the window despite the best reminders from officers and family members, or seniors who continue to feed pigeons because they think it results in good karma.

In such cases, I urge NEA to understand the difficult position of home owners and exercise compassion in the enforcement process. Enforcement should be solutions-driven to also soothe the frayed nerves of the complaining neighbour, such as installing mesh over the window for example, rather than focusing on a penal effect in such cases. Is there a tiered process which NEA could employ, for example, a warning letter and advisory notice before the actual enforcement in Court?

Lastly, I understand that the high-rise littering act is proven to be committed from a residential flat when there is photo or video evidence that the littering has originated from that unit. I understand from Senior Minister of State Amy Khor's speech earlier that genuine photos and videos supplied by neighbours and members of the public could be considered for evidence. But what is the standard of evidence required so that the public can help and chip in as eyes and ears on the ground, and who can the public submit these photos to? Enforcement relies heavily on the deployment of cameras, which may be expensive, and already lean manpower. So, I wonder if NEA plans to direct more resources to tackle this and if other individuals can be trained to support the enforcement too.

Finally, I understand that the time bar to pursue illegal dumping cases is proposed to be tripled from one year to three years of the offence, so as to deal with complex cases of illegal dumping. Three years can be a long time for investigations to be ongoing, both from the perspective of Government resources and also for the companies to have this outstanding. Could NEA please share what are some examples of such complex cases and based on complaints in the last three years, could NEA provide an indication of the proportion of cases that would benefit from being extended from beyond a year?

In closing, this Bill underscores the Government's commitment to boosting public cleanliness and hygiene. The proposed measures increase the authorities' ability to act swiftly and effectively while guiding companies towards greater professionalism. Employers, workers and everyday citizens alike must continue to play our part towards a clean Singapore. Notwithstanding the clarifications, Mr Speaker, Sir, I support the Bill.

Mr Speaker: Mr Don Wee.

4.16 pm

Mr Don Wee (Chua Chu Kang): Mr Speaker Sir, I support the proposal to hold the owners or tenants of HDB flats responsible for high-rise littering from their units. With the new law, I am hopeful that households or co-tenants would be more motivated to prevent littering. I appreciate that NEA will exercise care when investigating cases committed by young children, the elderly and vulnerable groups who may claim to have mental conditions. May I check what age is defined as an "elderly" for the purpose of this Bill?

I am concerned that if NEA just issues warnings to cases with mental conditions, the fundamental problem of littering and its associated safety risks remains. Can NEA refer these alleged culprits to the Institute of Mental Health (IMH) immediately, so that the medical assessments can be made swiftly? I support that these offenders be required to attend assessments within a stipulated timeframe. If no valid reason is provided to explain their absence, they should be deemed guilty of having committed high-rise littering.

I have a case in my constituency where a gentleman does high-rise littering on a daily basis for the past few years. The tissue papers and plastic bags are stuck on trees and may pose health hazards to the residents staying on the second and third levels. When NEA, Town Councils, workers, community volunteers and myself approached the family members on various occasions, they often claim that the house owner is mentally unsound and they cannot control his behaviour. We enlisted the help of a Government agency in the hope that it

can perform the assessment and refer this culprit to IMH. This Government agency involves the Family Service Centre (FSC) which spoke to his wife as the uncle is always hiding inside the room or the toilet. The wife also has concerns about the treatment partly because of the medications' side effects he had experienced previously.

This FSC informed that such littering behaviour does not warrant a need for enforced treatment. On the other hand, high-rise littering is not a sufficient reason to get the Police to compel the owner to open the door. Meanwhile, the neighbours continue to experience such disamenities. Therefore, I would like to know how this amendment will abate such littering cases. Is it possible to empower NEA to refer them to IMH for assessments directly? I suspect that in some cases, the offenders may not necessarily have any mental conditions, just the bad personal habit of littering. Speaker, Sir, in Mandarin please.

(In Mandarin): [Please refer to [Vernacular Speech](#).] I would like to seek a clarification. For recalcitrant offenders, is there a minimum time period when they will be issued the second and third fines after they have committed the first and second offences respectively?

I would also like to ask the Ministry if such fines have been effective against recalcitrant offenders? What happens when they plead financial hardship as the reason for being unable to pay and yet continue littering?

(In English): The Bill makes it an offence to cause or permit the dumping or disposal of waste in a public place from 1 July onwards. I have had cases in my estate where the contractors and residents threw bulky items into the pneumatic waste conveyance systems and caused blockages for the entire precinct for days. Will this Bill penalise such errant acts? Can this Bill allow Town Councils to install CCTVs to catch the suspects?

Next, the paid-up capital requirement was introduced to ensure that operators can keep up with wage climbs under the cleaning sector's existing Progressive Wage Model (PWM) for the long haul and adopt more technological solutions which can be costly. I hope that the Government agencies which engage cleaning services from Class 1 licensees do not pass on the costs to Singaporeans indirectly as many are struggling with inflation. I also appeal to the Ministry to provide grants so as to assist these deserving companies in their purchases of expensive equipments to improve productivity.

Finally, I would like to ask how NEA will track and check that deserving resident workers in the waste collection and materials recovery sectors receive their wage increments. I support the Bill.

Mr Speaker: Senior Minister of State Amy Khor.

4.21 pm

Dr Amy Khor Lean Suan: Mr Speaker, I thank Members for their support of the Bill. The thoughtful, and I would like to add, passionate comments and suggestions reflect the high regard we place on public health and in maintaining high standards of public cleanliness and sanitation. Let me address these comments.

First, on the Progressive Wage Model (PWM) for the waste management sector. Several Members have spoken in support of the need to uplift our lower-wage workers. We are introducing the PWM to support our resident waste management workers by improving their skills, uplifting their wages and offering better job prospects and career progression. To achieve this, we also require companies to invest in training and technology adoption. A more competent waste management workforce will benefit our waste management companies. This upgrading of the waste management industry will, ultimately, benefit all Singaporeans and Singapore.

We acknowledge that there will be some increase in operational cost initially, as Mr Ang Wei Neng has spoken about. To moderate the increase, the Government has provided the Progressive Wage Credit Scheme (PWCS) which waste management companies can tap on. In the medium to longer term, investment in our workers will pay off for our companies by enhancing their capabilities, productivity and efficiency. Even as the Government provides some transitional support, we will need to do our part as service buyers and consumers to bear some of the cost increase in order to support our lower-wage waste management workers on their upskilling journey.

To Dr Wan Rizal's suggestion to compress the wage schedule, the multi-year wage schedule from 2023 to 2028 has been set out to provide greater certainty to the industry so that they can plan for the changes in determining the wage recommendations. The Tripartite Cluster for Waste Management had made a conscious effort to offer better wages to attract new entrants and retain the existing experienced workforce, and to couple this with higher skills requirements to drive greater productivity. To ensure the wage schedule remains relevant, a mid-term review would be undertaken in 2025.

On Mr Yip Hon Weng's questions, it is not a common practice for waste management companies to deploy outsourced workers from manpower supplying companies. The proposed amendments to prevent such a practice will ensure that all waste management workers benefit from the PWM wages. As for extending the PWM to other sub-sectors, we do have plans to cover the waste treatment and disposal sub-sector at a later stage.

I thank Members for their broader suggestions on waste management. I agree with Ms Joan Pereira that partnerships are key in achieving our zero-waste vision. Individuals and organisations may tap on initiatives such as the SG Eco Fund for projects that support environmental sustainability and involve the community, and NEA's 3R Fund for projects that reduce waste generation and disposal.

As for Ms Poh Li San's suggestion to move towards a user-pays principle for waste collection, a similar model has already been adopted for trade premises where the monthly fee is based on the waste output by volume. We will continue to study different models for waste collection fees but there are currently no plans to adopt such a model for households. Instead, we encourage households to reduce waste

and recycle more through education and other policies.

Members have also raised clarifications and suggestions on PWM that apply to both the waste management and cleaning sectors. On waste management, Mr Don Wee asked how we will ensure that resident workers will receive the PWM wage increments. The PWM requirements are implemented through the licensing regime for waste management licensees. Applicants for a waste management licence must show a progressive wage plan that they will be or are paying their workers PWM wages and produce relevant documents as required. NEA will conduct regular checks and impose financial penalties in the event of non-compliance. In serious cases, the licence may be suspended or revoked.

A similar approach has been taken for the cleaning sector's PWM, which is also implemented through the licensing regime for cleaning businesses.

On Mr Yip Hon Weng's question on the enforcement of PWM requirements for the cleaning sector, the number of penalties imposed in 2021 and 2022 has remained stable, where an average of about five financial penalties have been imposed on and 30 warning letters have been issued to cleaning business licensees each year.

Mr Yip Hon Weng also asked about making skills upgrading more accessible to workers. Employers can tap on the Workfare Skills Support Scheme, which provides funding support such as absentee payroll to employers who send eligible workers for approved courses. For the cleaning sector, NEA works with the NTUC U-Care Centre to encourage service buyers to support their service providers who wish to send their cleaners for training during working hours and call on service buyers to refrain from requesting for replacement headcounts if cleaning standards are not compromised.

Mr Louis Ng asked whether the PWM would be extended to migrant workers. The purpose of implementing the PWM requirements for resident workers in the waste management sector, as stated in the proposed amendments, is to ensure a more engaged waste collection and waste disposal workforce and the retention of a core of resident waste management workers.

In developing the broader PWM for other sectors and not just those in environmental services, it is recognised that employers are already responsible for the additional costs of the migrant workers, including their healthcare, accommodation and other related costs during their stay in Singapore. As such, employers are not required to adhere to the PWM for their migrant workers. Nonetheless, employers are encouraged to adopt the principles of the PWM for their migrant workers.

Members have spoken extensively about the revised cleaning business licensing framework. Mr Yip Hon Weng asked about the goals and benefits of the revised framework and our plans to achieve them, while Mr Don Wee, Ms Nadia Samdin and Ms Ng Ling Ling raised concerns about increased business costs and possible folding of businesses. The revised framework is a strategic initiative under the Environmental Services Industry Transformation Map (ES ITM) to build more capable businesses in environmental services and spur them to create quality jobs and careers. At a steady state, all cleaning businesses will have to attain Class 1 or 2 licences after two years of joining the industry and will have to ensure skills training and workplace safety for their workforce and attain corresponding levels of financial ability.

With the Class 3 licence retaining the same requirements as the current licensing scheme, the revised cleaning business licensing framework will not impose higher barriers to entry compared to today. Existing cleaning business licensees, including new entrants that do not meet the requirements for the Class 1 or Class 2 licence can apply for the Class 3 licence and have an additional two years to grow their capabilities and transit to the Class 1 or Class 2 licences.

These changes are key to raising the capabilities of the cleaning industry, which will benefit both the businesses as well as service buyers. Given their ability to meet the higher minimum paid-up capital requirement and the additional training requirements relating to Workforce Skills Qualifications (WSQ), Class 1 licensees provide greater assurance to service buyers that they are equipped with more resources, experience and capabilities to undertake larger cleaning contracts and are committed to uplifting the wages and competencies of our cleaners. Additionally, NEA is working with the Ministry of Finance (MOF) towards requiring Government Procuring Entities to engage only cleaning businesses with a Class 1 licence.

To cope with the mandatory PWM wage increases for low-wage cleaners, cleaning businesses may tap on the Progressive Wage Credit Scheme for transitional wage support. We expect all cleaning businesses hiring resident workers to benefit from this scheme.

Prior to revising the framework, NEA had consulted the cleaning industry extensively and considered specific feedback on the new requirements for the Class 1 and 2 licences. We also factored in the request for more time to transit and therefore planned for the revised framework to only come into effect on 1 January 2024. This gives existing cleaning business licensees more time, in fact, effectively up to three years from today until 2026, to eventually transit to a Class 2 or 1 licence.

Nevertheless, we recognise that there may be some degree of industry consolidation that favours companies with stronger capabilities and are better able to meet their employment obligations. In this transition, NEA will ensure that there are sufficient safeguards to protect cleaners who may be displaced.

In addition to giving existing cleaning businesses sufficient runway to transit, NEA will work closely with Workforce Singapore and NTUC U-Care Centre to facilitate job transfers within the Environmental Services industry, if needed.

To Mr Louis Ng's question on compliance history, the proposed requirement is that in order to attain a Class 1 licence, cleaning businesses must not have any non-compliance with relevant written laws in the last 24 months. Only Court conviction history, including those related to payment of wages to employees, will be taken into account.

Overall, the new requirements have been calibrated to provide service buyers and workers with the assurance that the businesses have the financial stability as well as capabilities and practices to deliver reliable and quality cleaning services without being overly onerous on business owners.

NEA will continue to review the licensing framework as necessary and will take Mr Louis Ng's suggestions into consideration.

Several Members, including Ms Joan Pereira, asked about the support for cleaning businesses to adopt technology and raise productivity, including working with Institutes of Higher Learning (IHLs) to build competencies in the cleaning industry.

Beyond the ES ITM, there are various Government initiatives supporting innovation and technology adoption.

The Chief Technology Officer-as-a-Service is a platform that helps cleaning businesses boost digitalisation efforts. Cleaning businesses can also benefit from the National Robotics Programme to develop new cleaning technology. In fact, the Autonomous Environmental Services Vehicle, which facilitates cleaning through robotic road-sweeping, was developed this way.

To build competencies, NEA has been working with IHLs to equip cleaners with digital skills such as using robotics systems to improve operations and processes. To better address learning needs, Ms Nadia Samdin would be pleased to know that some training courses are offered in languages such as Mandarin and Malay, while some training providers deploy multilingual trainers for their courses.

NEA will continue to partner IHLs and SkillsFuture Singapore to enhance training offerings for the cleaning workforce.

I thank Members for supporting the introduction of the statutory presumptions for littering from residential flats. Some have asked how this would be applied.

Mr Yip Hon Weng asked about the effectiveness of the new law and other plans to address high-rise littering.

As highlighted in my opening speech, the statutory presumptions will place greater onus on owners and tenants of residential flats to prevent littering acts from being committed from their units in the first place. We believe this will enhance deterrence and contribute to reducing the number of high-rise littering acts in the long run.

Mr Gan Thiam Poh, Mr Darryl David and Mr Ang Wei Neng asked about the scope of the statutory presumptions.

The presumptions will not cover littering from common corridors and staircases. For high-rise littering committed from the common corridors and staircases of residential flats, NEA will continue to investigate such cases based on the current approach.

The statutory presumptions also apply if litter is thrown from a private apartment that is used for residential purpose and the litter lands in a public place.

For high-rise littering within condominium or private apartment estates, Management Corporation Strata Titles (MCSTs) can introduce and leverage their by-laws to take appropriate actions.

Mr Desmond Choo asked about the method of issuance of the letter of intended prosecution to owners or tenants.

At the earlier stage of investigation, NEA will send a letter via post to notify the owner or tenant of the offence and explain how the statutory presumption will apply during the legal proceedings for the offence and how it may be rebutted. Contact via email or phone would only be possible after email addresses or phone numbers are furnished by the owners or tenants when they respond to the initial letter and request for subsequent correspondence via such methods.

Dr Wan Rizal also asked whether owners or tenants could have more time – 30 days instead of 14 days – to rebut the presumption.

The time period of 14 days is necessary to ensure that owners or tenants provide timely information to NEA to investigate the case effectively and efficiently. However, NEA will consider the facts of each appeal for more time to respond on a case-by-case basis when deciding whether or not to proceed with the enforcement action.

In response to Mr Leon Perera's query on the burden of proof for rebutting the presumption, there is no requirement for proving beyond reasonable doubt. For example, to prove that the owner or tenant was not at home, evidence such as purchase receipts or transportation trip transactions can be produced.

Alternatively, in response to Ms Nadia Ahmad Samdin's question, the owner or tenant can provide the identity of the person whom he or she reasonably believes to be the offender to rebut the presumption. In response to Mr Leon Perera, merely pointing the finger at another person without a reasonable basis will not be acceptable.

Let me now highlight our approach to ensuring careful and judicious enforcement, which several Members have spoken about.

Concerns were raised on how the statutory presumption may negatively affect the dynamics of interpersonal relationships and fairness in investigations, such as possible instances where owners or tenants pin the responsibility on children or on the elderly and disabled individuals to avoid the penalties.

Let me assure Members that NEA will conduct investigations and assess the facts of each case carefully, including interviewing the named persons or relevant witnesses before proceeding with any enforcement actions to ensure that no individuals are wrongly accused.

In cases involving multiple owners or tenants, given that NEA will send the letter of intended prosecution to all registered owners and tenants individually, each owner or tenant can respond directly to NEA. Individuals found to knowingly provide false information to implicate another person can be charged for providing false information. NEA will be judicious and exercise care in investigating and resolving cases involving vulnerable groups such as young children and the elderly, as is already practised today.

For littering acts committed by children below the age of 12, NEA will not take enforcement action against them as they may not have sufficient maturity to understand what they had done. Currently, NEA will issue an advisory letter to the parents to underscore their responsibility to educate their child on binning litter properly.

As for offenders with mental incapacity, NEA refers such cases to social welfare agencies, such as the Agency for Integrated Care, to provide more holistic help with the consent of the offender, or if the offender is not capable of giving such consent, then his or her next-of-kin. The social welfare agencies may then work with relevant stakeholders such as IMH for medical assessments.

For persistent cases involving the vulnerable groups, NEA may engage the parents or households to implement measures to prevent high-rise littering such as installing wire mesh on their windows.

While we empathise with the families of offenders with mental incapacity, NEA may still proceed with prosecution of persistent cases with the Attorney-General's Chambers' concurrence, especially if the offender is aware of the nature and consequences of his or her actions and no effort is made to prevent recurrence.

Some Members asked about the effectiveness of NEA's surveillance cameras.

NEA had increased the number of surveillance camera deployments by over 50% in 2020 and currently deploys about 200 surveillance cameras each month. High-rise littering incidences are captured in about 35% of such camera deployments, on average, over a five-year period.

In 2020 and 2021, about 7% of high-rise littering cases were attributed to persons below the age of 19 and 24% to those above the age of 64. NEA does not track the data for individuals with mental or physical disabilities, which only forms a minority of offenders.

The catch-rate is constrained by factors such as the suitability of the vantage points for camera deployment, lighting conditions and quality of information received through feedback.

Mr Ang Wei Neng and Mr Liang Eng Hwa may be pleased to know that NEA's surveillance cameras already leverage video analytics to detect falling litter, allowing for flagging and notification of high-rise littering acts without the need to manually review hours of video footages.

NEA will continue to enhance its enforcement capabilities by keeping pace with developments in surveillance camera technology.

Several Members, including Mr Lim Biow Chuan, asked if current penalties were effective, particularly against recalcitrant offenders.

We have stiff penalties for high-rise littering and only about 4% of offenders who litter from residential flats are repeat offenders. Littering offenders can be fined up to \$2,000, \$4,000 and \$10,000 for their first, second and subsequent offences respectively. If the Court is satisfied that it would be appropriate for the protection of the environment and rehabilitation of the offender, the offender may also be issued with a Corrective Work Order (CWO).

To Members' suggestion to make the CWO mandatory for all littering offenders, the current fines remain an effective deterrent. NEA will continue to monitor the situation and review the penalty regime where necessary.

To Mr Don Wee's query, for recalcitrant offenders who appeal to NEA due to financial hardship, NEA will assess the facts of the case and the offender's past offences before taking the appropriate actions. This may include offering a composition sum or not acceding to the appeal.

To deter such offenders from littering again, NEA ensures that the enforcement actions are commensurate with the severity of the offence. Mr Desmond Choo asked if a new clause could be included to provide a jail term in addition to fines if the items littered have the propensity to cause harm. I would like to clarify that currently, where a person throws litter from residential buildings and endangers the personal safety of others or causes bodily harm, he or she can be liable under the Penal Code for an offence which is punishable with both imprisonment and fines.

The suggestion to terminate the lease of flat owners who are recalcitrant offenders is a harsh measure that ought not to be undertaken lightly. HDB exercises the right of compulsory acquisition sparingly and as a last resort. Nevertheless, this measure may also not address the root of the issue if the offender is just forced to move out and commits high-rise littering at a new address.

There are suggestions for NEA to accept evidence of littering from residential flats submitted by members of the public. As I shared earlier, clear evidence that an act of littering had been committed from an identified flat must be provided. Members of the public can provide such evidence through channels such as myENV or the OneService mobile applications. NEA will follow up and investigate the littering offence as long as the quality of the evidence is able to support NEA's enforcement action.

Mr Gan Thiam Poh asked if residents are allowed to install cameras pointing upwards and not directly into their neighbours' units to identify high-rise littering offenders. While residents may undertake measures to support NEA, we encourage residents to be mindful of community relations and respect the privacy of their neighbours, as installing cameras within one's unit may intrude into his or her neighbours' privacy or interfere with his or her neighbours' enjoyment or use of their homes.

Residents should seek Town Councils' approval prior to installing any camera in HDB common spaces given that this is regulated under Town Council by-laws.

Lastly, Mr Louis Ng asked if a similar statutory presumption could be used to address the problem of second-hand smoke in flats. As explained earlier, the statutory presumption proposed in this Bill first requires clear evidence that an act of littering has been committed from a specific residential flat.

Unlike high-rise littering acts which involve undisputed evidence of littering from a flat, obtaining proof of the acts of smoking at windows and balconies is technologically inordinately more challenging. In addition to finding suitable locations for the deployment of surveillance cameras to detect smoking at windows and balconies, such cameras would need to detect the heat signature of a smoker's lit cigarette and visually identify that the lit object is a cigarette. The cameras that need to be used have a much shorter range and their line of sight can be easily blocked when smokers stand further from the windows or stand behind a glass pane, curtains or any physical barriers. Besides the limitations of current heat detection camera technology, this proposal gives rise to privacy issues as the entire footage recorded may have to be reviewed manually, even if it is by authorised persons.

These challenges need to be overcome before we can consider prohibiting smoking at windows and balconies. I have explained this at length in this House on many occasions. But in order to not disappoint the Member, I am explaining this again. And since then, we have yet to see practicable solutions, from our scanning of available technology as well as international developments, to address second-hand smoke coming from homes. Nonetheless, I would like to assure Mr Louis Ng that we will continue to monitor developments in this area with regard to smoking in homes because we are also as concerned about second-hand smoke and the harm it causes.

I shall move on to the rest of the amendments in this Bill.

To Mr Don Wee's question on what can be done to address errant acts that result in blockages of the PWCS, Town Councils are required under the Town Councils Act to maintain, repair and replace the PWCS. The Town Councils can introduce a by-law to make causing blockages of PWCS an offence and develop ways of enforcing against this. The PWCS chute hopper is designed such that bulky items, for example large or long items, would not be able to fit into the opening. Sensors and monitoring equipment also help to prevent an excessive piling up of refuse within the chute. Residents and contractors are reminded that bulky waste can be conveniently disposed of by contacting their respective Town Councils for assistance.

Mr Gan Thiam Poh sought clarification on the cost of installing PWCS and how it compares with the potential savings in labour cost. Based on our consultations, the additional capital cost of PWCS is a small proportion of the total cost of a development and the maintenance cost is also a small proportion of the building's operational costs. With the increasing manpower challenges and the rising cost of labour, we can expect more cost savings due to the reduced manpower requirement of PWCS, not to mention the environmental benefits from the reduction in pest infestation, odours and exposed waste.

Mr Gan Thiam Poh asked about the disposal of waste in the common areas of HDB blocks. To clarify, the prohibition in section 20 applies to the use of a vehicle to dump waste in a public place or the dumping of waste from a vehicle in a public place. Disposing of waste in HDB common areas, except in areas designated for refuse, contravenes the respective Town Council's by-laws. Residents wishing to dispose of bulky items may also contact their respective Town Councils for assistance.

With regard to the extension of the limitation period in section 95 of the Act, I would like to clarify that this would apply to any offence committed under the EPHA, other than an offence that involves an injury or danger to health that subsists at the date of the complaint of the offence, and not only illegal dumping cases.

Complex cases include those involving multiple interviewees, some of whom may be uncooperative, thereby prolonging investigations. Notwithstanding the amendment, NEA will ensure that our investigation processes remain efficient.

Mr Speaker, Sir, let me conclude. We have come a long way since Independence, working hard to keep Singapore clean. This was made possible by the tireless efforts of generations of Singaporeans, including our cleaners and waste management workers. Not only has this benefited our health and well-being, being a clean and green city has become part of our national identity. We must cherish what we have and continue to be guided by the values of care and consideration to keep our environment clean.

The proposed changes, as set out in this Bill, will enable us to support our cleaning and waste management sectors, as well as strengthen our shared responsibility to cultivate right behaviours that safeguard public health and a clean environment. Hence, I call on all Members of this House to support the Bill. Mr Speaker, I beg to move.

Mr Speaker: Clarifications. Mr Ang Wei Neng.

4.51 pm

Mr Ang Wei Neng: Thank you, Speaker. Also, thank you to Senior Minister of State Dr Amy Khor for the very comprehensive round-up.

I have two clarifications. I am heartened that NEA is using artificial intelligence (AI) to analyse the video images and not human beings. So, there is opportunity to scale. And I also note that NEA deployed 200 cameras onsite. And I understand that each camera typically covered about 14 days of operation, which means NEA probably has more than 100 sets of cameras. I have alluded in my speech on whether NEA can consider doubling or tripling the number of cameras it has, so as to make sure that every repeated complaint about the locations of high-rise littering, would have a chance of detecting the culprits.

Secondly, Senior Minister of State Dr Amy Khor also revealed the number of repeat offenders who are caught for high-rise littering, for those below 19 years old and those who are elderly. But will Senior Minister of State Dr Amy Khor share how many are repeat offenders and how do we deal with them, even though they are elderly or young?

Dr Amy Khor Lean Suan: As I have shared, installing surveillance cameras depends on the design of the block, which stack the suspect is in, whether it is possible to find a suitable location. So, sometimes, it is not a question of the number of cameras available but whether we have got good quality information and whether we are able to deploy and install the camera in a location that gives us a good chance of a successful catch.

You will see that, as I have shared, the catch rate is 35%. And that is because there are all these constraints, whether it is weather, design of the block, quality of information and so on. As far as we are concerned, if there is good reason to install a surveillance camera, we will do so. So, it is not a question of increasing the numbers. We have done so. But as I have also said, putting surveillance camera everywhere and all the time is really not sustainable; it is not something we can do. Enforcing against high-rise littering, as we have also said, is very laborious; it is resource-intensive and also requires lots of time. We need to see how we can do this effectively. But, actually, the best way to address this problem is by cultivating positive social norms, civic-mindedness and social responsibility.

Can the Member repeat the second question? I am not quite sure what he was asking – repeat offenders and so on?

Mr Speaker: Please keep it short.

Mr Ang Wei Neng: Yes, I am talking about the repeat offenders, those who are below 19 and those who are elderly. So, the number of repeat offenders – what is the percentage?

Dr Amy Khor Lean Suan: I do not have the numbers here, but it is a minority.

Mr Speaker: Mr Lim Biow Chuan.

Mr Lim Biow Chuan: Thank you, Speaker. I just wanted to ask the Senior Minister of State, with the cases of littering are going up, why does the Senior Minister of State think that imposing fines will act as an effective deterrent against littering? Why is NEA so against issuing CWOs? We are not asking them to go to jail. We are asking them to experience what it is like to have to pick up litter and watch for themselves the effect of littering on the common areas. So, why is NEA so against issuing CWOs, even for the first offence?

Dr Amy Khor Lean Suan: I thank the Member for his passionate plea. NEA is not against CWOs. In fact, it is at the discretion of the Courts to issue a CWO, where they think it is fit to do so.

But having said that, we are saying that fines are actually effective as a deterrent because based on our statistics, of those who have been caught and had been enforced against, the number of repeat offenders is very low. It is 4%. Hence, we think that it is not necessary, even for first-time offenders, to be issued a CWO by the Court. We have answered this question before. The Member had submitted a similar Parliamentary Question and we had also said that because the number of repeat offenders is so low, we do want to give the first-time offenders a second chance.

Question put, and agreed to.

Bill accordingly read a Second time and committed to a Committee of the whole House.

The House immediately resolved itself into a Committee on the Bill. – [Dr Amy Khor Lean Suan].

Bill considered in Committee; reported without amendment; read a Third time and passed.

TIME LIMIT FOR THE MINISTER FOR NATIONAL DEVELOPMENT'S SPEECH

(Suspension of Standing Orders)

5.01 pm

The Deputy Leader of the House (Mr Zaqy Mohamad): Mr Speaker, may I seek your consent and the general assent of Members present to move that the proceedings on the item under discussion be exempted from the provisions of Standing Order No 48(8) to remove the time limit in respect of Minister Desmond Lee's speech?

Mr Speaker: I give my consent. Does the Deputy Leader of the House have the general assent of the hon Members present to so move?

Hon Members indicated assent.

With the consent of Mr Speaker and the general assent of Members present, question put and agreed to.

Resolved, "That the proceedings on the item under discussion be exempted from the provisions of Standing Order No 48(8) in respect of the Minister's speech. – [Mr Zaqu Mohamad.]

AFFORDABLE AND ACCESSIBLE PUBLIC HOUSING

(Motion)

Mr Speaker: Minister for National Development.

5.01 pm

The Minister for National Development (Mr Desmond Lee): With your permission, Mr Speaker, may I ask the Clerks to distribute the annexes before I begin my speech?

Mr Speaker: Please do. [*Handouts were distributed to hon Members.*]

Mr Desmond Lee: Members may also access these materials through the MP@SGPARL app. In the course of my presentation, I will refer Members to the various annexes and then you can follow as I speak.

Mr Speaker, Sir, I beg to move, "That this House affirms the importance of keeping public housing affordable and accessible while protecting the interests of current and future generations of Singaporeans, and endorses the commitment of the Government to these twin goals."

Sir, this Government is committed to keep HDB flats affordable and accessible for Singaporeans. This has been the work of several generations and we will continue to work hard to deliver this commitment.

We help Singaporeans own their homes by: (a) building public housing in step with demand; (b) by pricing new flats affordably and providing generous grants to first-time buyers; and (c) by maintaining a stable and sustainable property market where asset values increase in tandem with economic growth.

In the past 10 years before COVID-19 hit, we had a fairly stable market.

We grew HDB supply in step with demand. This is because we saw household sizes falling as part of societal trends, with the nuclearisation of families and more singles wanting to live alone. We opened up access to better meet housing aspirations of singles.

May I refer Members to Annex 1. [*Please refer to [Annex 1.](#)*] If you look at the chart, you will see that from 2001 to 2021, while the number of residents living in HDB flats increased by only 10%, we had increased the total number of HDB flats by 29% – almost a third. In fact, if you look at the boxes at the bottom of the chart, we have the 2011, 2016, 2021 BTO application rates, these were lower before COVID-19 and spiked up during the COVID-19 years. In fact, these numbers have been skewed because of the higher application rates in the earlier years by singles. If you take that away for 3-room and larger flats, the application rate in the non-mature estates was very low – one point something, two point something before COVID-19 hit.

The Home Price to Income ratio (HPI) – Members will be familiar with this concept – HPI measures broadly the number of years of total household income that it takes to pay for a home.

Let me draw Members' attention to Annex 2. [*Please refer to [Annex 2.](#)*] Look at the chart. In 2012, the HPI for a 4-room flat in a non-mature estate was six. So, about six years of total household income to afford a home. From 2015 onwards, the HPI had dropped and remained below 5. This is because the annual increase of BTO flat prices in non-mature estates is less than 1%, lower than the 3% annual increase in incomes.

Members, please refer to Annex 3, the next page. [*Please refer to [Annex 3.](#)*] You can see that HDB resale prices also stayed fairly stable and even somewhat softer. This was the period prior to COVID-19. In fact, from 2013 to 2019, the HDB Resale Price Index (RPI) experienced almost six consecutive years of decline, falling by around 12%.

But in the last three years, supply has become tight and resale prices have risen. Why did this happen?

First, our building programme took a very hard hit during COVID-19. Construction work was halted for a few months, there was a severe worker shortage, the supply of construction materials was disrupted and we had to shore up construction firms all over Singapore.

As you can see from Annex 4, in 2019, before COVID-19 hit, we completed some 12,000 flats. [*Please refer to [Annex 4.](#)*] In 2020 when COVID-19 hit, we completed fewer than 8,000 units.

When people saw that the supply of BTO flats was disrupted and project completions delayed, some decided to get a resale flat instead, so, demand for resale flats went up.

Others got worried and decided to join the BTO queue even earlier because they did not know if they could indeed successfully ballot for one on time and they also saw that the waiting times got lengthened because of COVID-19. So, the demand for BTO flats also went up, causing further anxiety.

Take a look at Annex 5. *[Please refer to [Annex 5](#).]* Over the last three years of the pandemic, first-time BTO applicants increased by 80% and second-time BTO applicants grew even more by a whopping 140%, compared to the preceding three years from 2017 to 2019, pre-pandemic.

At the same time, there has been a marked shift in social norms. Young Singaporeans want to move out to live on their own earlier. This trend may have been accentuated by the pandemic, as many people worked from home and wanted more space of their own.

As a result, housing demand spiked. There was also a sharp rise in the resale prices. On the ground, young couples shared with us their concern about the sharp rise in the resale prices, the perception that choice BTO projects in mature estates are more expensive and the overall worry that HDB flats may be out of reach. In fact, their parents worry even more.

We fully appreciate these anxieties, even as we work hard to ensure that BTO flat prices remain stable.

We know that Singaporeans are unhappy about the longer wait times and the delays. So are we. My HDB colleagues have been working hard to catch up on lost time.

Please refer to Annex 4 again. We completed more than 20,000 homes last year, 2022, the highest annual number in the past five years, reflecting a concerted effort by HDB and the contractors working together to catch up on lost time to help to complete delayed projects. And we will press on to finish building another 20,000 flats this year, deliver more keys to waiting home buyers.

We have also ramped up the supply of BTO flats to meet the higher demand.

In 2022, we launched over 23,000 new flats. We will launch another 23,000 new flats this year. Between 2021 and 2025, in total, we will launch up to 100,000 new flats if needed.

We had earlier introduced Shorter Waiting Time (SWT) flats before the pandemic, so you wait less than three years for a flat. While there have been some delays, more than 8,000 of such flats will be completed in the next two years.

We have done more to prioritise First-Timer (FT) young couples. Since August last year, we have set aside at least 95% of 4-room and larger BTO flats for FT families, both in mature and non-mature estates.

Despite strong demand and rising construction costs in these past two years, we have kept BTO prices almost flat.

Please refer to Annex 6. *[Please refer to [Annex 6](#).]* In 2019, a 4-room BTO flat in a non-mature estate was priced at \$341,000 on average before grants. In 2022, the average price was \$342,000. The price has barely changed.

We do so by setting BTO prices based on affordability outcomes rather than just pass on rising costs to buyers. For instance, construction costs shot up almost 30% in this period. But we do not price BTO flats based on cost.

Instead, we look at the household income across different levels and establish what the prices of flats should be to make them affordable to flat buyers.

In non-mature estates, BTO flats are typically priced at around a Mortgage Servicing Ratio (MSR) of 25% or less, to ensure that buyers can use less than a quarter of their household income to pay for the mortgage instalment with little to no cash outlay. In mature estates where the locations are more diverse, MSR can exceed 25% in certain areas, with HPI of around five times or more.

We also establish the market value of our new flats, based on the recent transacted prices of comparable resale flats nearby.

Please refer to Annex 7. *[Please refer to [Annex 7](#).]* As you can see, we have kept BTO prices relatively stable even as median household incomes have increased.

To launch BTO flats at selling prices that are below market and are affordable to flat buyers across different income levels, we have to apply a substantial market discount.

On top of this, we provide generous grants. Eligible first-timers can enjoy the Enhanced CPF Housing Grant (EHG) of up to \$80,000, with more in grants provided to those with lower incomes.

Mr Leong Mun Wai claims that the Government has somehow lost its way and public housing is way too unaffordable.

Let us look at the facts.

First, for first-timers who apply for BTO flats in non-mature estates, virtually everyone gets a chance to select a flat within three tries.

Second, more than eight in 10 buyers who collected their keys to BTO flats or bought resale flats last year, 2022, can service their monthly mortgage fully from their CPF contributions with little to no cash outlay.

The median Singaporean household income is \$8,400. Do you know the proportion of BTO flats that would be affordable to this family? Is it half of all BTO flats because it is median? The answer is no.

Please refer to Annex 8. *[Please refer to [Annex 8](#).]* Close to 70% of the BTO flats that were launched last year, 2022, across all estates can be affordably purchased with a household income of \$8,400 at a MSR of 25% or less, meaning that these households use a quarter or less of their household income to pay for the mortgage instalment.

Third, after two rounds of cooling measures last year, we are seeing some moderation in the rate of increase in resale prices and we are keeping a close watch.

This is set against the context that 90% of Singaporeans own their homes today. More remarkably, around 85% of our low-income households own their homes.

Generally, our HPI ratios are four to five times. This means that it takes around four to five years of total household income to buy a home.

If you look at Annex 9, it shows how we compare with other major cities. *[Please refer to [Annex 9](#).]* In London, Los Angeles and Sydney, it is between eight and 15 times income, so between eight and 15 years of total household income. In Hong Kong, it is more than 20 times.

So, while there are concerns over resale prices, public housing remains broadly accessible and affordable today.

Why not make it even cheaper?

My colleagues and I have been engaging a broad spectrum of Singaporeans on public housing in the past few months. One of the concerns is over access to flats in mature estates.

Many young couples have not been successful in securing a BTO flat because they are trying hard to secure one in a mature estate. This can be seen from the first-timer BTO applications to mature estates which is about 1.6 times that to non-mature estates in 2022.

The pandemic has also exacerbated this, as the highest application rates to mature estates over the past six years have all been in the last three years of this pandemic.

We hear the reasons and aspirations of young couples. They want to stay near parents and living nearer to transport nodes can save time in terms of going to work. They tell us because buying a home is one of their single largest life decisions, they feel they cannot compromise on location. If it is the single most important buy, it must not be a "second-best" that they have to live with for years to come.

We can understand their point of view. However, many people think the same way. But mature estates are already built up and available new land is limited.

Despite these constraints, we have been doing our best to launch more projects in the mature estates in the last few years. But the irony is this – the more BTO flats we supply in mature estates, the more buyers join the queue.

Why? Because Singaporeans can see that the subsidy in a BTO flat is real and realisable and that it means that after the Minimum Occupation Period (MOP), they can sell the flat if they need to move and make capital gain. This is especially the case for flats in mature estates because they are highly sought after.

Would it then help to price these flats even lower? If we did so, we would be increasing the windfall gain that successful buyers enjoy and even more may join the queue. The result would be higher demand, greater competition for BTO flats in mature estates and greater anxiety among flat buyers all around.

At the end of the day, this will not help first-timer couples who are looking for a flat to build their families. It will also be unfair to all the families who failed to secure a flat in a mature estate and so missed out on the large windfall gain.

So, what have we been doing? We are not just building more flats in the mature estates but also consciously moderating the prices there. For example, we launched the Prime Location Public Housing (PLH) model where public housing in prime, central locations come with additional subsidies to ensure that they remain affordable and accessible to Singaporeans. The quid pro quo is that they come with additional conditions.

However, flats in desirable locations in the mature estates cannot be priced at the same level as other flats. Even Mr Leong acknowledges the need for "price differences between locations" in his Facebook post.

We are considering how to prevent the locational premiums from pricing out all but the most well-off buyers while avoiding an excessive windfall gain to those who successfully book such a flat in the mature estates.

In addition, I would like to encourage first-timer couples not to put your family plans on hold and consider a BTO flat in a non-mature estate first.

On our part, I would also like to assure Singaporeans that we are doing our utmost to improve the accessibility and affordability of HDB flats. We know that policies cannot remain static as the aspirations and needs of our people change and our society evolves. That is the reason why we have been engaging thousands of Singaporeans as part of our Forward Singapore engagements over the past few months.

In terms of supply, we are committed to launching up to 100,000 new flats between 2021 and 2025 if needed. Once we get over this current challenge, we intend to launch more Shorter Waiting Time (SWT) flats from 2024 onwards. We aim to reach pre-COVID-19 levels by launching around 2,000 to 3,000 SWT flats per year by 2025, with waiting times of under three years.

After that, over a period of time, we will recalibrate our building programme so that SWT flats form a larger proportion of our supply of new flats than today. In this way, we reduce waiting times and better support the home ownership as well as marriage and parenthood aspirations of Singaporeans.

In terms of demand, we will continue to review how we can better allocate flat supply to meet the most urgent housing needs.

In our public engagements, there has been one consistent point of agreement – that first-timers should be prioritised, especially those who are getting married as well as those with young children and who are looking to buy their very first home. We are therefore studying how we can provide even more support for such first-timer families looking to buy their first homes.

We are also looking at measures to reduce the high rejection rate for BTO applications to ensure that BTO flats are prioritised for those with genuine and urgent housing needs.

And we will consider if more housing support can be given to first-timer couples or first-timers buying a resale flat to help them in their home ownership aspirations.

We will announce these new measures when ready.

But in improving our policies on housing, we must as a responsible Government always ensure that they remain sustainable. They must enable us to continue providing Singaporeans with accessible, affordable housing not just now or for the next election term, but decade after decade, for the next generation of Singaporeans and the generations after that.

That is why we disagree with the Progress Singapore Party's (PSP) implicit claims in its Motion and decided to table our own. Our position is that we must maintain housing accessibility and affordability while keeping in mind other needs that Singaporeans have and ensuring that what we do is not at the expense of future generations of Singaporeans.

In essence, land in Singapore is extremely limited and we allocate limited land and resources to support housing needs with a few key principles in mind.

First, we are committed to home ownership because a home that we can call our own roots us to Singapore and provides the basic stability for our families and our children to grow up in. So, our HDB flats are kept affordable with significant subsidies and grants for first timers and as a home for life. Our housing policies are strongly geared towards ensuring that HDB flats are meant for living in, not for speculation.

Second, we want public housing to be inclusive. We tier our grants to support the lower-income more so that despite their circumstances, they can still buy a home to build their families and their children can have a good environment to grow up in.

For those who are not ready for home ownership, we provide public rental housing at heavily subsidised rates and paired up with ComLink to provide holistic social support for our tenants.

Our policies, such as the Ethnic Integration Policy, also seek to promote social cohesion.

We have recently made provisions to keep HDB flats in very central and attractive locations within the reach of the average Singaporean through the Prime Location Public Housing model.

Third, we believe that individuals have a key role to play too. Each one of us has to do our part to save up and meet our own housing needs. That was a major motivation for us to create and develop the CPF system and I have explained how, with the CPF, public housing today is more affordable to most Singaporeans.

It is easy to ask, why not make flats even cheaper? As a society, we have to debate and agree on how affordability should be fairly defined because ultimately, we, the people of Singapore, are all collectively paying for it.

We already allocate substantive fiscal resources to support the Home Ownership Programme. In the last financial year, HDB incurred a deficit of \$3.85 billion on its Home Ownership Programme. Many of us may not appreciate what this means. To put this into perspective, the revenue from the 1% GST increase this year is less than half of this.

What about the needs of our citizens for healthcare, education, transport and so on?

We have heard many alternative proposals, including from Opposition Members of Parliament, and we give them the benefit of the doubt that the intent is to improve the lives of Singaporeans. But they are not as frank about the trade-offs.

For example, Mr Leong Mun Wai says that BTO flats can be even cheaper if HDB does not have to pay for state land at fair market value.

I have already explained that HDB does not price based on cost recovery. BTO flat pricing and BTO development costs are two separate and independent things. So, what Mr Leong has repeatedly asserted is plain incorrect.

More importantly, land is part of our reserves. Proceeds from land sales do not come to the current Government as revenue for spending. The proceeds go back to the reserves in order to preserve the value of the reserves. We invest the reserves and use part of the investment returns to fund the Government's annual Budget and support the needs of current and future Singaporeans.

If HDB does not pay for fair market value for state land, it means that we are reducing the value of reserves and allocating more of it to today's housing. By doing so, we are reducing the resources available to meet the other needs of today's generation as well as the needs of future generations.

Mr Leong deliberately avoids these trade-offs and sugarcoats the tough realities that we all face. But the Government cannot and will not take such an irresponsible approach.

Mr Speaker, this Government has been committed to home ownership for our citizens from day one of nation building. Embedded in this commitment is also our vision for a strong and cohesive nation and an inclusive society.

But what this Government believes equally in is to be frank about our challenges and trade-offs and explain how we seek to meet the competing needs of Singaporeans in the current generation as well as balance the needs of this generation with the needs of future generations. Mr Speaker, Sir, let me say a few words in Mandarin.

(In Mandarin): [Please refer to [Vernacular Speech](#).] The Government understands that Singaporeans are concerned about public housing because of three key reasons: (a) high resale prices over the past three years; (b) the apparently high BTO flat prices in mature estates; and (c) the uncertainty in getting a chance to book a flat and the long waiting times for BTO flats. The Government is working hard to ensure that public housing remains affordable and accessible.

In terms of supply, we are committed to launch up to 100,000 new flats between 2021 and 2025 if needed. We also intend to launch around 2,000 to 3,000 Shorter Waiting Time (SWT) flats per year from 2025 onwards. These flats will have waiting times of under three years.

After that, we will also recalibrate our building programme so that SWT flats will form a larger proportion of our supply of new flats.

In terms of demand, we will continue to review how we can better allocate flat supply to first-timers, especially those who are getting married as well as those who have young children, and who are looking to buy their very first home. We are also looking at measures to reduce the rejection rate for BTO applications to ensure that BTO flats are prioritised for those with genuine and urgent housing needs. We will consider if more housing support can be given to first-timers buying a resale flat. We will announce these new measures when ready.

We are not just building more flats in the mature estates but also consciously moderating the prices there. For example, we launched the Prime Location Public Housing (PLH) model where public housing in prime and central locations will come with additional subsidies to ensure that they remain affordable and accessible for Singaporeans.

We are also considering how to prevent locational premiums from pricing out all but the most well-off buyers, while avoiding an excessive windfall gain for those who successfully book such a flat in the mature estates.

The Government has been committed to home ownership for our citizens since day one of our nation building. As a responsible Government, we will always ensure that housing policies remain sustainable as we continue to improve them.

Our predecessors have worked hard to build the public housing system for Singaporeans so that we and our next generations will be able to have a better life than them. We are the beneficiaries of their foresight and prudence and should do the same for the next generations.

As we listen to different feedback and proposals, we should be frank about our challenges and the trade-offs and explain how we seek to meet the competing needs of Singaporeans in the current generation as well as future generations. The Government has always been frank and upfront about all these matters.

(In English): Mr Speaker, Sir, our public housing is not perfect, but it has made housing accessible and affordable for Singaporeans and we must always keep improving it. Ninety percent home ownership in a cosmopolitan city is not something that many other major cities have been able to achieve.

But these achievements are not just our own. Our predecessors worked so hard to build public housing for Singaporeans, worked so hard to pay for their own homes and above all, worked so hard to build up our reserves so that the next generations, including our own, would have a better life than them.

So, we, the beneficiaries of their foresight and prudence, should inherit these same values and do the same for the next generation.
[Applause.]

Question proposed.

5.31 pm

Mr Speaker: In accordance with the decision of this House to take this Motion together with the next Motion standing in the name of Mr Leong Mun Wai, I will now call Mr Leong Mun Wai to move his Motion and make his opening speech before allowing Members to debate on both Motions. Mr Leong.

(Motion)

5.31 pm

Mr Leong Mun Wai (Non-Constituency Member): Thank you, Speaker. And I thank the Minister Desmond Lee for his first Motion speech; I will deliver the second one. But before I deliver my speech, Speaker, may I ask the Minister two questions?

Mr Speaker: You can seek clarifications later.

Mr Leong Mun Wai: Clarifications, yes. So, Minister, can I clarify, your Motion basically has two points.

Mr Speaker: I said you can ask clarifications later. You can deliver your Motion.

Mr Leong Mun Wai: Yes. Can I clarify that your Motion has two points?

Mr Speaker: Mr Leong, I said you can ask your clarifications later. You can deliver your Motion.

Mr Leong Mun Wai: Oh, I see. Okay. Sir, I beg to move, "That this House calls upon the Government to review its public housing policies in order to deliver affordable and accessible HDB flats to all Singaporeans who need them, strengthen the owner-occupation intent of public housing, protect retirement adequacy and keep public housing inclusive for every Singaporean."

Mr Speaker, Sir, the Progress Singapore Party (PSP) believes that our public housing policy needs a reset and hence, we have identified the areas where we need to review in our Motion.

The Government's Motion, on the other hand, suggests that there is no need to review its current housing policies. PSP will state our position clearly and I hope that the Government will also state clearly why it thinks that public housing is still affordable and accessible today, and against whom is it protecting the interests of the current and future generations of Singaporeans?

It is clear that the Government is not confident that Singaporeans believe in its housing policies since the Government has been running extensive advertisements in the mainstream media to illustrate the affordability of BTO flats. If HDB flats are truly affordable and accessible, Singaporeans will know it. There is no need to explain it. If Singaporeans are not satisfied, the Government should be proactively reviewing its policies and telling Singaporeans what corrective actions it will be taking to resolve housing problems. The Minister has covered some of the corrective policy actions that the Government is going to take, but I think that is not all. So, there is no need for advertisement. Singaporeans should be treated like citizens, not consumers.

Mr Speaker, public housing was one of the greatest achievements of our nation under the Government of the late Mr Lee Kuan Yew. During the early years of Independence, when land cost was not built into the price of a HDB flat, the Government was able to provide a roof over the heads of all Singaporeans who needed it, in a timely manner and at affordable prices. The security of a stable dwelling liberated Singaporeans in that generation and provided them with the energy to build a new nation and change Singapore for the better.

However, the situation changed drastically in the 1990s, when the Government started to treat HDB flats as an appreciating asset. In 1995, then Prime Minister Goh Chok Tong told Singaporeans that we are embarking on "a new phase where the Government increases your asset value through the Asset Enhancement Programme".

Since 1990, the HDB resale price index has increased by seven times as a result of the Asset Enhancement policies of the Government. But the median monthly household income has only increased four times. As a result, the heavy burden of home ownership today robs young Singaporeans of the financial security they need to be enterprising risk-takers and build Singapore into a competitive, information economy.

To address that, the PSP's main objective for public housing is to ensure Singaporeans have both affordable housing and retirement adequacy. Every Singaporean should be able to have an HDB flat and a basic retirement sum in their CPF without having to downgrade their HDB flat or sell their lease to the Government in retirement. By doing this, every Singaporean can be free to realise their full potential in life – and we have the resources to do this.

PSP's policies are also aimed at giving more choices to Singaporeans. While ensuring affordability for owner-occupiers, we will aim to maintain a buoyant resale market for Singaporeans who want to monetise their HDB flat and upgrade to private property. While we encourage owner-occupation, we also offer more rental flats for Singaporeans at different life stages and circumstances.

With all this in mind, I will walk the Members through Singaporeans' concerns about public housing before introducing the PSP policy recommendations.

The first concern is that affordability has little meaning without accessibility. The Government keeps harping on the affordability of BTO flats, but they are in short supply. With the waiting times of BTO flats stretching to between five and seven years, compared to between 18 and 24 months during the 1980s, many first-time buyers have no choice but to buy a resale flat. Hence, overall affordability will depend on the prices of both the BTO and resale flats – and not the BTO flats alone.

Today, resale flats, especially the newer ones, can be as much as 30% higher than BTO flats. Resale prices have outpaced wage growth by a large margin over the last three decades. Singapore has witnessed a streak of 11 consecutive quarters, or nearly three years of price increases in the resale market. Hundreds of resale flats have been transacted above \$1 million, with hundreds more being offered on the

market.

BTO prices have been rising too. Even though the Government has maintained that BTO prices are not linked to resale prices, Senior Minister of State Sim Ann acknowledged in December last year that the windfall gain from a BTO flat cannot be too large; otherwise, it will be unfair to buyers who were unable to secure a BTO flat.

Indirectly, I take this to mean that while the Government can temporarily slow down the increase in BTO prices when resale prices are surging, like today, BTO prices must eventually keep up with the rise in resale prices over the long term. Not surprisingly, many in the property market are predicting that the \$1 million BTO flat will appear soon.

The second concern is, even BTO prices deplete Singaporeans' CPF balances. The Government says BTO is affordable because most home buyers need not pay cash to service their monthly mortgages, which can be covered by their CPF savings. However, this comes at the cost of depleting their CPF savings. This is backed by the latest data released by the Government in January in response to Assoc Prof Jamus Lim's question, which shows for those at the bottom 40% income bracket, the median percentage of monthly CPF contributions used to service housing loans is more than 70%. For the bottom 20% income bracket, it is more than 99%.

With your permission, Mr Speaker, may I ask the Clerks to distribute a table to show how the purchase of a BTO flat can deplete the buyer's CPF account over 25 years.

Mr Speaker: Please carry on. *[A handout was distributed to hon Members.]*

Mr Leong Mun Wai: Members can also access the handout through the MP@SGPARL app. The data in the table is based on an HDB advertisement in The Straits Times on 15 January to show that BTO flats are still affordable. However, the advertisement does not show the total cost of home ownership, which is shown in my table.

If you look at the second last row, the number, total cost of home ownership is \$592,000.

A new 4-room BTO flat at Tengah, which initially cost \$350,000, will actually cost the buyer \$592,000 in CPF savings after 25 years of principal repayment and financing costs. This is the total cost of home ownership to the buyer. And it is 70% higher than the purchase price.

The drain on CPF savings will be even larger for those who purchase resale flats and also for future generations as BTO prices continue to follow the rise in resale prices.

Affordability is not about whether the housing loan can be serviced on a month-to-month basis by CPF savings or not, but by looking at the effect of the total cost of home ownership on the CPF retirement account. Currently, high HDB prices caused by rising land cost are raiding the CPF savings of Singaporeans, while HDB pays \$3 billion to \$4 billion in land cost into the past reserves each year.

The third concern is lease decay, which has started to threaten the retirement adequacy of Singaporeans. Even older Singaporeans who have bought their HDB flats at lower prices are exposed to the problems of the current public housing policies – and their problem is lease decay. We did not need to worry about lease decay in the past, when all flats were young and the Government did not mention it until 2017.

However, by 2030, almost half of the HDB flats will be more than 50 years old and the prices of these HDB flats are expected to decline sharply, according to empirical valuation models. In our local context, limitations on loans and CPF usage will start to affect the prices of flats more than 40 years old, which coincides with the time when retirees want to monetise their flats.

The Government has promoted the HDB flat as a store of value for retirement and has previously tried to reassure Singaporeans over the lease decay problem with policies such as the Voluntary Early Redevelopment Scheme (VERS).

However, as I have said during my Adjournment Motion last month, the Ang Mo Kio Selective En bloc Redevelopment Scheme (SERS) incident has shown that if the Government uses the same compensation formula as SERS for the older flats in VERS, flat owners will have to put up a significant cash outlay to buy a replacement flat, which they can hardly afford.

It appears that VERS is not a credible solution for the lease decay issue, unless the Government provides further details to prove otherwise.

Without the information, Singaporeans will continue to form ungrounded expectations over VERS and this will disadvantage Singaporeans, especially the lower-income segments, who most need to monetise the flats to supplement their retirement income. Potential young buyers also want to know whether they can get their CPF savings and accrued interest back when they use them to buy older HDB flats.

The fourth concern is that a shortage of BTO flats and high resale prices have impacted the total fertility rate. I have highlighted this issue since my first Committee of Supply (COS) debate in 2021. The problem has worsened since then, and currently, close to 100,000 young couples are waiting for their BTO flats, some more than five years already.

Apart from the newer, longer-term policies we are discussing today, the Government should also take more urgent, short-term measures to help young couples with housing problems instead of relying on limited avenues of help, like the Parenthood Priority Scheme (PPS).

The policy failure today will have dire consequences on our population's structure and economic performance in the future, as young couples will have less incentive to have children due to financial challenges.

My colleague, Ms Hazel Poa, will touch more on this later. So, to address the concerns mentioned above, PSP proposes two policies, the Affordable Homes Scheme and Millennial Apartments Scheme (MAS), with the aim to reset our public housing system to improve affordability and accessibility, strengthen the owner-occupation intent, protect retirement adequacy and reduce social inequality, all of which are embodied in the Motion statement today.

I invite Singaporeans to judge the merits of these policies for themselves.

The first proposal is Affordable Homes Scheme, which is based on the deferred land cost idea first proposed by Dr Tan Meng Wah in 2013, when he was a research fellow with the Institute of Policy Studies at the National University of Singapore (NUS). It goes to show that there are many good ideas in the public domain, provided the Government remains open to that.

This Affordable Homes Scheme is designed to allow a Singaporean to buy a new flat at a user price, which is equal to the construction cost plus a notional location premium. If a Singaporean stays in the same flat his entire life, he will only pay the user price. This user price concept was also suggested by Mr Yeo Lam Keong, the former chief economist of GIC.

At the point of purchase, the land cost for the flat will be made known and recorded with HDB. If the Singaporean sells his flat in the resale market after the Minimum Occupation Period (MOP), he will have to pay this land cost with accrued interest based on historical mortgage rates into the past reserves, before pocketing the net profit. Thus, he ends up paying the full price of the flat.

Let me explain the principle behind the Affordable Homes Scheme. We believe owner-occupied public housing is a public good that should be treated as a form of essential public infrastructure, like schools and hospitals, where land cost is not charged because it is treated as state land.

We believe the land used for owner-occupied HDB flats should be treated in the same way as schools and hospitals. Hence, as long as Singaporeans are leasing HDB flats for owner-occupation, they should not have to pay for the land cost. They should only pay the land cost when they take the HDB flats to be an investment and sell it for a profit. The Affordable Homes Scheme takes care of Singaporeans without hurting the past reserves too much.

In the same example of the Tengah BTO flat, whereas the full price is \$350,000, the Singaporean buyer only paid the user price of about \$140,000 at the time of the purchase under the Affordable Homes Scheme. The balance of \$210,000 in land cost will be paid later into the past reserve, when the flat is sold after the MOP. At the lower user price, the buyer will have about \$323,000 more in his CPF account, after servicing the housing loan compared to the current BTO pricing system. The buyer will have enough CPF savings to satisfy his basic retirement sum.

So, under the Affordable Homes Scheme, HDB will return to its primary objective of providing affordable homes for Singaporeans while CPF will return to its primary objective of providing savings for retirement. One policy, one objective.

Singaporeans will no longer have to depend on rising property prices to provide for their retirement. Every Singaporean will have the Basic Retirement Sum without having to sell their flat or pledge it to the Government. It is also a more equitable way of allocating HDB flats, by lowering the prices of new flats, lower-income Singaporeans will be able to afford flats in better locations. Flats in prime locations will not become enclaves for the upper middle-income class only.

Despite all the abovementioned advantages, the Affordable Homes Scheme will not have a major impact on the nation's fiscal position and reserve accumulation. Currently, about two-thirds of HDB flats are resold after the MOP. Even if this proportion drops with the introduction of the Affordable Homes Scheme, due to the strengthening of the owner-occupation intent, the Government will still be able to recover a substantial part of the deferred land cost.

Anyway, it is narrow-minded to see the cost of this scheme as a raid on the reserves because affordable housing is an investment in our people for the benefit of the current as well as future generations. And we believe that the interests of current and future generations are not mutually exclusive.

If the current generation needs the resources badly, there should be no question of that compromising the interest of the future generation. The best inheritance that we can pass on to our future generation is a current generation that has done well.

The Affordable Homes Scheme is aimed at moderating the resale prices, but we are not expecting a precipitous fall in the resale prices because of several reasons.

Firstly, the backlog of housing demand will continue to persist and provide support for the resale market in the next few years.

Second, the market may look further into the horizon and realise that the supply of resale flats will be lower in the future as the owner-occupation intent strengthens.

Thirdly, new sellers will not sell their flats unless the price is high enough for them to earn a profit after paying off the deferred land cost. This will reduce the available supply of resale flats and support resale prices in the long term.

Finally, if the Government provides more certainty on the future of existing HDB flats by releasing more details on VERS, this will further support resale prices and help the market transition to the Affordable Homes Scheme. This is a good opportunity to resolve both the affordability and lease decay problems at the same time.

Our second proposal is the Millennial Apartments Scheme. The idea is for the Government to keep a large stock of quality rental flats to provide young Singaporeans who desire more space and more independent living with more housing choices. Again, this idea has surfaced from the public domain as a popular demand by the younger generation who desire a greater variety of housing options.

We propose that the main supply of Millennial Apartments come from prime locations near the Central Business District (CBD). These locations are currently highly sought after by buyers driven by the profit motive. But it is more equitable not to sell all the HDB flats in the prime location, but to keep a larger portion of them for rental, so that a broader range of Singaporeans can access these flats.

The Millennial Apartments will be smaller and quality flats on affordable leases of two to five years for younger families or groups of singles. These apartments should be attractive because they are close to the workplace, good amenities for families and even vibrant nightlife spots. Concentrating young Singaporeans together will allow those who are single to have more opportunities to socialise and perhaps, marry; while those are already married will have more time for their families because they live near their workplaces.

HDB can also develop a network of shops around these Millennial Apartments to allow a more diverse range of business to operate near the CBD at lower rents. With these businesses and a vibrant young population, our CBD can become economically productive day and night.

Mr Speaker, our public housing has become a national malaise which robs young Singaporeans of the financial security they need to be enterprising risk-takers and build Singapore into a competitive information economy, and the older Singaporeans of their well-deserved retirement. While the Government does not acknowledge any problems, the PSP sees the urgent need to reset the public housing policy and has proposed the Affordable Homes Scheme and the Millennial Apartments Scheme as solutions to our public housing malaise.

With the two schemes, Singaporeans can look forward to a better future where: one, owner-occupied public housing is truly affordable as land cost is waived; two, they can have enough to retire without having to downgrade or sell back their lease to the Government; three, they have more choices to choose what best suits their life plans and aspiration, to buy or to rent, to be an HDB occupier or an investor and others; four, the resale market remains buoyant although less speculative.

It is important to reiterate that the two schemes will not raid the reserves, no matter what the Government may say. We only need the Government to make up its mind and we can execute the reset as swiftly as we had tackled the COVID-19 pandemic.

On this Valentine's Day, the best Valentine's Day present that this Government can give a young Singaporean couple is an affordable and accessible HDB flat. Sir, I beg to move the Motion.

Question proposed.

AFFORDABLE AND ACCESSIBLE PUBLIC HOUSING, AND PUBLIC HOUSING POLICIES

(Simultaneous debate on both Motions)

6.04 pm

Mr Speaker: In accordance with the decision of this House to have a simultaneous debate on both Motions, I will now call on Members to make their speeches. Members are allowed to consider both Motions in a single speech. If you do have any clarifications for either mover of the Motion, you can weave it into your speech.

As the intent of the Business Motion resolved on 6 February 2023, which is earlier today, is for the House to follow the procedures of previous simultaneous debates, I will put the questions on both Motions at the end of the debate, so that the House can express its views on each Motion.

In addition, I will also disallow any amendment to either Motion that has the effect of negating the other Motion. By "negating", the term is to mean the effect of qualifying, transposing, contradicting and nullifying the other Motion. Any Member who wishes to vote against either Motion can do so directly.

Ms Hazel Poa.

6.05 pm

Ms Hazel Poa (Non-Constituency Member): Mr Speaker, we are all familiar with the low total fertility rate (TFR) in Singapore. As Minister Indranee shared with us on 4 October 2022 in response to my Parliamentary Question (PQ), many couples continue to aspire to have their own home before they start a family. The affordability and accessibility of HDB flats therefore play a very important role in our TFR.

The Progress Singapore Party (PSP) contends that our current housing policies has delivered on either affordability or accessibility, but not both. New flats are affordable after grants and subsidies, but not accessible due to the long waiting time. Resale flats are accessible but not affordable due to high resale prices. This is the reality and predicament faced by young Singaporeans when they are looking at getting married and starting a family.

Let us look at these issues one by one.

First, the waiting time. The Ministry of National Development (MND) tracks waiting time by measuring time from the point of successful Build-To-Order (BTO) booking to the point of key collection. This waiting time does not include time spent on unsuccessful applications. But for young couples, the waiting time for HDB flats starts from their very first application, whether successful or not. There is some disparity in the concept of waiting time between the two groups.

As MND does not track the time from first application to key collection, it makes it difficult to grasp how long couples have to wait from the time they decide to get married to each other to the time they get the keys to their first flat. All we have are anecdotes here and there, which build up the impression that our young people mostly feel that the waiting times for BTOs are too long.

It has been evident for a while that the BTO approach is not meeting the needs of young Singaporeans. The Government's launch of a small number of flats with a Shorter Waiting Time (SWT) is recognition of this. From 2018 to 2022, between 1,000 and 2,900 units of such flats were supplied each year. This is a small proportion of the total supply of new flats.

Under SWT, flats are constructed in advance before they are launched for booking. This is already a departure from the BTO approach. It is time to face up to the fact that the BTO approach is not satisfactory and to start to build for projected demand based on factors like marriage rate and new citizens growth rate.

The Government has the means to forecast and project. This should not be a major challenge. There was a lesson in the past for over-building but that should not stop us from exploring options to be proactive.

Former Minister Mah Bow Tan changed from the Registration for Flats system to a BTO system because the registration queue fluctuated widely in the wake of the 1997 Financial Crisis. We agree that a registration queue that required no commitment is an unreliable indicator. However, annual marriage and new citizen numbers are relatively stable. In the 10 years from 2012 to 2021, the number of resident marriages each year ranged from 24,000 to 26,000, except in 2020, the year that COVID-19 struck, when it dropped to 21,000. The number of new citizens each year is about 20,000. In addition, there is always a demand for rental flats to provide the buffer for any excess flats built.

In the meantime, efforts need to be made to accelerate building to clear the current backlog and shorten the waiting times for current and future cohorts.

The Minister has said that they have ramped up the BTO supply to launch 23,000 flats each year in 2022 and 2023, and are prepared to launch up to 100,000 units in total over the five-year period, from 2021 to 2025 if needed. That is an average of 20,000 units per year from 2021 to 2025.

This supply of flats pales in comparison to the past. Forty years ago, over the five-year period, from 1981 to 1985, HDB completed 189,000 units. That is an average of 37,900 units per year. Can the Minister explain why HDB is not supplying more flats when it is possible to do so?

The Prime Minister said in his National Day Rally speech that "our problem is not finding the space to build enough flats". So, if land is not the constraint, what is causing us to be unable to build as fast as 40 years ago, despite technological advancements?

As the saying goes, when there is a will, there is a way. Does the Government lack the political will to tackle the low TFR problem we are facing? Our low TFR has resulted in our over-reliance on foreign manpower, which has brought along a whole suite of other issues, like job competition, social friction and national identity. But I will not go into these issues today.

Increasing the supply of new flats would not only shorten the waiting time for future applicants, enable them to get married and start a family earlier, it would also spur economic growth at a time when global growth is slowing.

PSP therefore urges the Government to increase the supply of new flats in the immediate term.

Next, let us look at affordability. MND has placed a full-page advertisement in The Straits Times with examples of different couples at different income levels paying for flats of different sizes to illustrate the affordability of new flats after Government subsidies and grants. These examples illustrate how different couples are able to pay for their flats using only their CPF, with no cash payment. What is not illustrated is what happens to retirement adequacy after paying for the flats using CPF.

In response to a Parliamentary Question (PQ) from Assoc Prof Jamus Lim, the Minister for Manpower replied that HDB flat buyers used 64% to 100% of their Ordinary Account contributions to pay for their HDB flats. This is especially serious for those in the lowest 20% in terms of income levels, where 96% to 100% of their CPF contributions into the Ordinary Account are used up to pay for the HDB flat. For the other income groups, close to two-thirds or more are used up. This adversely affects the adequacy of their retirement savings.

According to the Minister for Manpower, in 2021, 67% of our CPF members met the Basic Retirement Sum, which pays out about \$850 per month. This payout is not enough to meet expenses. Researchers at LKYSPP and NTU conducted a study in 2017 to 2018 and estimated that the amount required is about \$1,379 per month. With inflation, this amount must now be higher. And what about the one-third who cannot even meet the Basic Retirement Sum?

In conclusion, the affordability of the new flats, after subsidies and grants, comes at the expense of retirement savings. At worst, retirees are unable to meet basic expenses. At best, retirees suffer a lower standard of living after retirement.

New HDB flats used to be even more affordable, under the previous generation of PAP leaders. But the prices of new HDB flats have been rising over the years. How is it still kept affordable?

There are two ways to achieve this: one, stretch the loan repayment over a longer period of time so that each instalment is lower and hence affordable; two, by giving Government subsidies and grants.

The first method worsens retirement adequacy because it means that CPF money is being drained for a longer period of time and the amount of interest to be paid also increases significantly with a longer loan tenure.

The second method provides an illusion of affordability by presenting a selling price after subsidies and grants that is lower. But where do the Government subsidies and grants come from? From taxpayers, from the GST that we pay, from incomes taxes, from duties on liquor and tobacco, taxes on petrol and vehicles. So, while the Government subsidies and grants are not paid directly by the flat buyers, we are all indirectly paying for everybody's HDB flats.

Furthermore, the Government grants can create a price spiral.

As grants are also provided for resale flats, this increases the purchasing power of the buyers, hence increasing demand and therefore, resale prices. When resale prices increase, to help first timers afford resale flats, grants will have to be increased, thus leading to a price spiral.

Meanwhile, when resale prices increase, the Chief Valuer looks at recent transactions and revises land prices upwards. This means HDB needs to pay more to the Singapore Land Authority (SLA) to be put into the reserves and the price of new flats before subsidies increases. When the price of new flats before subsidy increases, either more tax revenue is needed to provide more subsidies and grants or flat buyers must pay more.

Either way, the amount paid into the reserves continues to grow larger and larger as resale prices increase, paid for by flat buyers and taxpayers.

In summary, the affordability comes at the expense of retirement savings and taxpayers who have to fund the Government subsidies and grants for HDB flats.

PSP is therefore proposing a different pricing model for affordable housing as mentioned by my colleague, Mr Leong Mun Wai, earlier. In this model, new flats are sold to Singaporeans without collecting the land price upfront. However, if the flat is subsequently sold by the original buyers, the land cost will then be recovered from the resale price.

The objectives of this model are two-fold.

Firstly, to offer young Singaporeans new flats at a lower upfront cost. About 60% of the total cost of a HDB flat is land cost and the remaining 40% is construction cost. If the land cost is taken out, the upfront payment will be significantly lower.

Secondly, to preserve the value of existing flats. One of the biggest problems in any attempts to offer new flats at lower prices is the uncertainty over the effect on resale prices. However, under this proposal, since land cost must be paid at the point of resale, this puts the new flats on par with the other flats sold earlier with land cost. This will serve to preserve the value of existing flats.

Another problem we are currently facing is the lease decay issue.

As the remaining lease of an HDB flat gets shorter, the value of the flat drops. At the end of 99 years, the flat returns to the Government and the value thus goes to zero. The worry is that flat buyers who used most of their CPF funds to buy the flat will be left with little retirement funds as the value of their flats goes to zero.

Under this proposal, with the land cost deferred, the amount of CPF withdrawn to pay for the flat will be much lower, leaving Singaporeans with more funds in their CPF. This will make the lease decay less of a problem.

Lastly, I wish to touch on HDB flats for singles.

PSP supports Workers' Party's (WP) proposal to lower the eligibility age for singles to buy HDB flats to 28.

In addition, we propose that singles be allowed to buy 3-room flats or smaller. Singles who own a 3-room flat will be able to get married immediately upon finding a suitable partner and even have children whilst applying for a bigger flat. Let HDB flats not be the reason for any delays in marriage and having children.

In conclusion, if we are serious about tackling the low TFR problem, we need to pull out all the stops. Our low TFR is not only affecting our economy, it is also affecting the make-up of our social fabric, the social support for the elderly and our national defence. This has been such a long-standing problem and with the feedback that our young want their own homes before starting a family, why are we not taking decisive steps to address this?

The supply target of up to 100,000 over five years from 2021 to 2025 is too modest. We should be increasing supply more decisively in the immediate term and change to a model of building for projected demand based on factors like marriage and immigration numbers instead of the BTO approach.

Secondly, using Government subsidies and grants to achieve affordability is not a silver bullet. As the Chinese saying goes, 羊毛出在羊身上, this means that what appears to be a benefit has actually been paid for in other ways.

We urge the Government to seriously consider the alternative deferred land cost model we are proposing.

I would like to take this opportunity to seek a few clarifications from the Minister about his speech earlier.

The Minister mentioned that if we do not charge land at market prices, that will lead to a reduction in the value of the reserves. Given that the first-generation PAP leaders actually sold HDB flats without land cost, in the Minister's opinion, did Mr Lee Kuan Yew and the first-generation PAP leaders raid our reserves?

Secondly, in his Annex 9, where he compared affordability in terms of the ratio of income versus the price of houses, can I seek his confirmation whether he is comparing like-for-like? Does the Minister agree that it would be unfair if we are comparing public housing with private properties and leasehold properties with freehold properties?

Lastly, in Annex 7, where he showed the trend of the median household income versus the cost of a 4-room BTO flat, does the Minister agree that using the median household income may not be a good indicator because median household income can change purely based on demographic changes without any change in an individual's wage level?

Mr Speaker: Miss Cheryl Chan.

6.22 pm

Miss Cheryl Chan Wei Ling (East Coast): Mr Speaker, a home is a basic need that every person requires and many also aspire to own as they gain independence or set up a family of their own at different life stages. The topic of housing is thus not new and one that is close to many people's hearts as it touches their daily lives and is one that they cannot do without.

It is also a complex topic as it ranges from ownership, subsidies, land value needs, flat types, location, people's lifestyles to the norms within a society and across generations.

In contrast to the Member Mr Leong Mun Wai's comment about the 11th consecutive quarter of the resale price of flats, I wish to put some context on the state of the HDB resale market a few years ago.

In 2018, I spoke at length in this House about public housing as it was a top concern for a majority of Singaporeans who were concerned about housing affordability and choice as well as capital and retirement value. Back then, a key concern was on homeowners of older HDB flats who were worried about the value of their homes as their leases shortened, compounded by a lacklustre resale market that had persisted for six consecutive quarters.

Five years hence – not even a decade, just five years – we have the converse of this issue with a resale market that had been exceedingly robust for 11 consecutive quarters and an imbalance between housing supply and demand heightened by the pandemic and a confluence of other factors.

Today, my Ministry of National Development (MND) colleagues and I will be touching on various aspects of housing that concerns Singaporeans and making suggestions for the Ministry's consideration.

I will focus on the notion of home accessibility and affordability.

To look at affordability and accessibility of homes in Singapore, let us begin from the fundamental of public housing.

When public housing was first introduced in Singapore, it was with the intent of providing homes to every citizen and enabling those living in the kampungs who had to make way for land development to have a place to live in.

The flats built in the late-1970s to early-1980s housed many of those in the generations before us. Today, we still have more than 70% of local residents living in public flats and the flat supply continues every year both in public and private housing.

So, what has really changed since then?

In my view, what has changed most is the demand pattern and the lifestyles of the subsequent generations. All these have an impact on the affordability and the accessibility of homes currently and into the future.

Let me share a few perspectives on changes in the demand pattern and lifestyles.

First, people over time do not live in their first public flat for more than two to three decades, unlike those of my grandparents' generation.

When the younger generation gains independence, be they single or married, they would like to have a place of their own and live separately from their parents. However, amongst this group, there are still many whom we know who wish to live near their parents or extended family in order to have support for the caregiving of their children or for them to take care of their parents conveniently.

I see this in my own Fengshan constituency as it is a mature estate. Many families have three generations living near one other, within walking distance.

The challenge with the ease of finding a home in the same estate is difficult as there is limited or no new land, in fact, for new flats to be built within the vicinity of the existing flats.

What this means is that their children will naturally have to purchase the nearest BTO flats around Bedok Town, failing which are other new public housing projects in the East or settling for resale flats in the same vicinity or for some even purchasing from private housing nearby.

This impacts affordability.

In mature estates where there are ready amenities and access to public transportation, actually quite contrary to what PSP has said, I think that we have seen that the housing located in such places have inevitably risen in prices over time even when the lease diminishes.

The question is – can first-timers afford the price of a resale flat in mature estates when they are unable to take a loan for a longer period because of the remaining flat lease or take a larger loan given the lower subsidy for resale flats?

Second, let us look at the price of a public flat versus a condominium for the mass market in a mature estate with a 99-year lease.

The affordability of a flat is more than just the final price of the purchased flat. It also includes the value of maintaining the flat and the value of the flat when it is ready for resale in the market.

All these years, HDB has continued to maintain and upkeep the public flats through Town Council works. It also provides subventions for the upkeep of major infrastructures like lifts, common amenities like linkways, community gardens, playgrounds, exercise corners and much more. HDB also continues to provide schemes like lift upgrading, home improvement programmes, neighbourhood renewal programmes – I know this more because in Fengshan, we have had all these programmes, except, the Voluntary Early Redevelopment Scheme (VERS) in future, to ensure the flats remain liveable and safe.

All these help in the general capital appreciation of the flats, having residents to pay very little of their own money for operations of these facilities and any new additions.

In sharp contrast, unlike public housing, in private housing like condominiums, all these infrastructure maintenance, upgrades and new builds have to be paid through the sinking fund collections from every household within that condominium. If the condominium does not have sufficient sinking funds, they will be unable to carry out any additional or amendment works.

While most people understand the concept and the differences between having a public flat and a private condominium, the feeling of ownership of a 99-year lease property of a HDB versus a private apartment is not quite the same.

On a comparable basis, one can conclude that the relative cost of a similar size and the same leasehold public flat versus that of a private apartment already significantly differs starting from the purchase price, its maintenance over time, the continual upgrading and the rate of capital value appreciation at resale – unless the private condominium has an en-bloc opportunity.

Third, I believe that no single approach for a complex topic like housing will be effective on its own.

Any artificial intervention on the price of today's HDB flats based on a free-market model will have significant repercussions on our social fabric and the wealth of different generations.

Take some of my residents and those whom I know who purchased their HDB flats in the 1980s. Some of my residents, when they relocated from the kampungs, told me that they only purchased their flats at about \$50,000 or so and those were actually brand-new flats at that point when they were purchased. Today, many of them still live in the flats and they are still first-time owners.

Having lived in the flat for a few decades and looking at the resale market today, these flats would sell – at least, in the mature estate – for a decent price of \$400,000 to \$500,000. Yet, many of them told me they wish to continue living in it. They do not want to monetise even though they can get good monies for it at this point and it is attractive. They do not want to sell the flat and downgrade to a shorter lease flat.

So, I really wanted to ask the Member, Mr Leong Mun Wai, on his position when he said that there is a need to review our public housing policy. I do not think HDB stands still on this and does not review our public housing policy. But it is interesting when he said that we need to make a reset to it.

Because my question would be related to, if in the short term, we need to make up for this delta of shortage of BTO flats, but to what Ms Hazel Poa actually said, that we have to continue building it in large volumes, like about 40 years ago. What would really happen to all these flats, because we would have such a large number of them? And knowing that we have a shrinking population and ageing population with low total fertility rate, can these owners in future still rely on their flat for retirement? Will they be able to sell to anyone in the long run or would there even be buyers in the future?

I think we need to look at the supply of flats from a few angles. First, our supply of flats come from our BTO flats, our resale flats and also rental flats. If we want the Government to intervene and also to make resale flats more affordable for the younger generation, this simply means we may have to do a few bold things.

And these, in my opinion, are bold things: one, to convince our parents and ourselves to settle for less profits when we sell our subsidised flats; two, be willing to live in the same property for a much longer time and not inflate the demand on a cyclical basis; three, to accept a new definition of living proximity to our parents or their extended family in estates that are non-mature and at distances beyond 15 kilometres of one another; four – and I think this is quite important – to not constantly ask for more subsidies in different forms because, if we are honest about it, we know this must be paid through taxes or other means.

While the above that I have mentioned will not completely resolve the concern of affordability, it will at least be a start to shifting the whole balance on housing supply and demand in a more calibrated manner.

Finally, Sir, I wish to suggest this for the Ministry to consider. After the supply shortage has been better addressed post-pandemic, what can be done for those buyers with genuine requirements for flats and first-timers particularly, who are purchasing flats after four attempts of BTO and/or Sale of Balance Flats (SBF). Can the Ministry also review the Minimum Occupation Period (MOP) for new BTO flats in mature estates to be lengthened and if it cannot and must remain at five years, when the BTO flat is sold within a 10-year timeframe, an additional levy to be placed on those purchasing their next subsidised flat at a percentage of their profit from the sale proceeds?

Further, to review if the downsizing options for owners from private housing should be limited to some flat sizes unless they are above a particular age group.

Speaker, Singapore is one of the few countries in the world where home ownership is extremely high, with more than 90% of citizens owning homes, of which more than 70% actually live in public housing.

Such high home ownership brings with it different challenges, especially when individuals or families are unable to obtain their first public flat after several attempts. It not only upsets people but also makes one think why others are always luckier than themselves when it comes to securing a flat.

To make matters worse, nobody actually feels good when they see others making a windfall from the sale of a subsidised HDB flat. But at the end of the day, let us focus on the fundamental of why public housing was first established since this country's Independence. It was really to provide housing access and making it affordable for every citizen. This Government and our forefathers have tried to ensure this basic objective is met. I wish this to continues to be so, particularly for our low-income individuals and families and those who are actually vulnerable in society.

This, in my view, is one of our key challenges as a country and as a people – how best to balance the demand for affordable and accessible housing by Singaporeans against all other competing needs for land use as Singapore continues to modernise. Sir, I rise in support of Minister Desmond Lee's Motion.

Mr Speaker: Deputy Leader.

EXEMPTED BUSINESS

(Business Motion)

Resolved, "That the proceedings on the business set down on the Order Paper for today be exempted at this day's Sitting from the provisions of Standing Order No 2." –
[Mr Zaqy Mohamad]

AFFORDABLE AND ACCESSIBLE PUBLIC HOUSING AND PUBLIC HOUSING POLICIES

(Simultaneous debate on both Motions)

Debate resumed.

Mr Speaker: Assoc Prof Jamus Lim.

6.35 pm

Assoc Prof Jamus Jerome Lim (Sengkang): Mr Speaker, I understand that this Motion will be ongoing tomorrow? With your permission, I would like to request that I be allowed to speak tomorrow so that my —

Mr Speaker: I have rescheduled two of you to tomorrow. You can proceed, please.

Assoc Prof Jamus Jerome Lim: Okay.

Mr Pritam Singh (Aljunied): Point of order, Mr Speaker.

Mr Speaker: Leader.

Mr Pritam Singh: Will there be any objection for Assoc Prof Jamus Lim and the Workers' Party (WP) Members to speak tomorrow?

Mr Speaker: You have sent in your request, so I have made adjustments for two of them to speak tomorrow as indicated in my note to you.

Mr Pritam Singh: I understand, Speaker. The thing is, we have the Minister who has just given out nine annexes and we would like to respond more fully to the Minister's contributions and we understand that — unless of course, the debate on the Motion is going to be completed today.

Mr Speaker: No, it will not be completed today, so we have to toggle some of the speakers from tomorrow. So, I will shift two of them.

Mr Pritam Singh: My request — and I am not going to be argumentative about this, but there are 23 speakers on the speakers list. And there are four WP speakers on the Motion, my request is four —

Mr Speaker: So, we will shift two of them to tomorrow.

Mr Pritam Singh: Would it be possible for all the WP speakers to speak tomorrow? It will not be against the Standing Orders.

Mr Speaker: No, I will shift two of them to tomorrow.

Mr Pritam Singh: Noted.

Mr Speaker: Please proceed.

Assoc Prof Jamus Jerome Lim: Mr Speaker, as we do our rounds with our constituents during our house visits, we undoubtedly would have met with those who have expressed concerns about the rising cost of living. This is not a recent phenomenon. While the rising prices of groceries or gas may have dominated our more recent conversations, fears of how increasingly difficult it is to live in Singapore have been shared many times in the past. In Sengkang, I have spoken to residents, even elderly ones, who own their own homes, who worry about how expensive buying a flat in Singapore is and fear especially for their children and their grandchildren this ability to continue affording a roof over their heads.

Newspaper reports that point to a record high in property prices and rent in many housing districts reinforce this notion that housing is unaffordable.

My contribution to this debate will focus on what is driving these high house prices, but I will end with some proposals for easing a transition as we seek a reset to some degree in house pricing.

HDB remains a success in public housing globally, producing what some regard to be the most admired public housing programme worldwide. But it has been rather less successful in some of its original goals, crucially in meeting terms of affordability and access. My Workers' Party (WP) colleagues Leon Perera and Gerald Giam will in their speeches, elaborate more on these aspects.

Here, I will only point out that house prices are according to at least one respected index, "seriously unaffordable". This has knock-on effects on our cost of living and crucially, our retirement savings. The way the Government has tried to thread this needle has been to provide taxpayer subsidies, funded subsidies to young families trying to purchase their first home. Hence, Build-To-Order (BTO) and Sales of Balance Flats (SBF), and even resale purchases, enjoy a bevy of grants to help them get on the local property ladder. For many of these schemes, they may even get to enjoy two bites of the cherry. Once you are on the ladder, there is less worry that house prices might run away from you because when you sell your place, you receive the market price. And even if prices are too high, you at least have the cash from your sale to offset that hit.

But what this approach does is that it uses tax revenue to offset the hit from the costly market pricing of public housing in an effort to preserve the affordability of HDB flats and enabling the asset enhancement aspect of public housing to remain in place. It reassures those who have pumped a good part of their retirement savings into real estate that they will eventually be able to realise the investment gains from this decision.

Moreover, since most HDB homeowners use their CPF savings to pay for this mortgage, the status quo allows them to extract funds that would otherwise have been locked in their CPF. This preserves their monthly disposable income and also helps them to commit to saving for their retirement. On the surface, everybody wins.

But what this does is conflate two competing ideals: growing retirement assets as much as possible to ensure retirement adequacy while simultaneously keeping public housing as affordable as possible so Singaporeans have a roof over their heads that they may call home.

The two public policy pillars of HDB and CPF have objectives that run counter to each other and tying them together requires an alignment between them, which might not be a problem except that like the proverbial hamster that finds it has to run faster and faster just to keep up with the spinning wheel, we find that escalating house prices, in turn require the Government to keep enhancing the grants it gives out, which in turn allows prices to run away even further, in a never-ending self-reinforcing cycle.

In principle, any asset with a finite shelf-life should have a very clear path of future prices. Every year, as we gradually approach the point in time, where it will eventually expires with no value, the price would drop by just a little bit because of the technicalities of how we value time, which is that we tend to value the present more than we do the future, you tend to see a smaller decline each year at the beginning, but as we stretch out further into the future, prices will drop by ever-greater increments.

A picture tells a thousand words, so with your permission, Mr Speaker, I would like to circulate a handout to illustrate how this plays out. Members may also access this on the MP@SGPARL app.

Mr Speaker: Yes, please. *[A handout was distributed to hon Members.]*

Assoc Prof Jamus Jerome Lim: In Singapore, the chart above is what policy-makers have enshrined as the so-called Bala's Curve, which law attributes to a land office employee with that name who first drew up this theoretical relationship for 99-year leasehold properties. The premise behind the curve is as elegant as it looks. The price of the house should be worth what you would otherwise pay in rent. If you buy, you are essentially front-loading your payments. So, after you are done with your mortgage, you get to enjoy living rent-free in your home.

But the valuation of your home is still whatever the accumulated sum of what you would otherwise be paying for in rent for the remainder of the time that the house is still yours.

I will just ask all of you to cast your eyes to the other chart on the lower half of the page. There, you will see essentially the same curve, but with one very mild variation – we allow inflation to enter into the picture so that it will affect what you pay in rent every year into the future.

With this very simple tweak, we will see exactly what we observe in Singapore's housing market: a steadily rising house price which tops out somewhere around the two-thirds mark of the total lease. This is also incidentally what real estate agents often share about how they believe flat prices will move when leases are in the final three decades – that they are basically impossible to sell; and if they were, the prices would have to drop precipitously. This chart actually shows three lines which correspond to three different average inflation rates over the period.

First of all, observe how as inflation rises, the curve rises more but the plunge is also more significant once we pass the peak. So, inflation, such as the bout that we have experienced lately, is at least partially responsible for the spike we see in house prices.

And what do these three lines correspond to? They were not selected by chance. The first is inflation, ever since 1991, when the Government began adopting its asset enhancement approach.

The second is what happens when we add in higher inflation for the post-pandemic period. Just two years of above-average inflation was sufficient to trigger a significant increase in house prices at the peak relative to the business-as-usual scenario.

Finally, the last line is what happens when we have a house price inflation crisis, when rents are rising as they were last year and if they remain elevated for this year. At the peak, house prices would be more than double what they would be in the absence of this bubble.

That is why, even though the overwhelming majority of Singaporeans do not rent, the eye-watering 30% jump in private rental rates last year should worry all of us. Higher rents eventually make their way into higher house prices and vice versa.

Given our recent brush with high inflation, it would be unsurprising that house prices have likewise breached new heights.

This just means the need for even bigger taxpayer-funded grants from the Government if we wish to keep housing affordable. It also means that our current HDB and CPF policies may become a dangerous game of musical chairs.

If one is able to offload one's flat before its price collapses, as it must eventually, then we can retire comfortably. But then the one holding the bag is a fellow Singaporean – someone who bought your resale because they needed space for a growing family and could not afford to wait for a BTO.

Of course, some might argue that using the discounted value of rent to determine house prices is only one method and solely relying on this approach to explain high house prices could be misleading.

That is correct. There is at least one other common valuation approach and that is what some may call an adding up approach. Basically, we add in the price of land, the construction costs and the developer's profits to arrive at a price.

The unknown factor in this, of course, is what land should cost.

The Minister for National Development recently explained this further. Minister Desmond Lee told us that land sale prices for private housing developments are not used but that "relevant public housing transactions" are used instead.

If this is true, then we have not truly unshackled ourselves from the possibility that the land component, even for BTOs, may be overvalued.

If land prices are indirectly derived from the HDB resale market with transaction prices used as comparables, then any bubble in that market would become embedded into our BTO prices. What is worse – this bubble can feed on itself as the resale market cross-references the BTO one, back and forth. What is needed then is a way for us to price land not in reference to the market but in a way that we can justify via fundamentals.

One approach is to peg this at historical acquisition prices or, as Mr Leong Mun Wai has suggested today, to value it but only to realise the cost after the land is sold for profit.

Another way to do so is as a multiple of median salaries from new workers – a median the WP would prefer a multiple somewhat closer to three – but crucially, we should do this pre-emptively instead of as a target after market valuations have already been set. Doing so would ensure that it is HDB that is driving affordability, not trying to catch up to a market with subsidies, so that the tail does not end up wagging

the dog.

The key is to break the tight link between land valuation that takes reference to market comparables and thereby deflate the bubble component that could build up in land pricing.

Let us first get some preliminary objections out of the way.

A common refrain by this Government is simply following well-established market principles of land valuation. Should there be any deviation from this approach, it would amount to a raiding of the reserves since our land trust belongs not just to the current but also future generations of Singaporeans.

First off, this argument is, even by the Government's own accounting conventions, fundamentally incoherent. The Singapore Land Authority (SLA) already exempts land leases of less than seven years from registration. The Ministry of Finance (MOF) currently treats income from land lasting less than 10 years in lease as recurrent income. If it is true that carving out part of the lease amounts to raiding the reserves, then this Government has also done the same for every short-term land lease that it makes where the proceeds are credited as recurrent revenue.

Furthermore, the Government already exercises differential land pricing for different classes and uses of land. Land zones for private residential purposes are valued differently from those for commercial uses and also differently from land use for infrastructure such as roads. Recognising the inherent public nature of roads and transitways, the land charge for this group is a mere \$1 a metre.

While I am not suggesting that HDB flats should be priced at some unreasonably low quantum, it is fair to ask why land for public housing does not better reflect its public nature. But let us also be clear-eyed in what the trade-off we are making is about.

The Government is asking new homebuyers today to pay more for their BTO and resale flats, a significant part of which goes towards land cost, which in turn, is channelled into the reserves. So, we are, in effect, asking the present generation to pay more to support future ones.

Now, is this fair or just? There is not really a single right answer. But let us at least acknowledge that it is not necessarily selfish or greedy or even lacking in foresight to want some of the benefits of our land trust to be realised today.

After all, we all want the best for our children. Sometimes, that means leaving behind a sound inheritance. But it also means providing for them today with a roof over their heads and the comforts of a home. It also means being present for them as they grow up and not constantly pulling long hours at work just so that we can afford the home that we are living in.

More generally, we should recognise that the market does not price everything perfectly and perhaps, more crucially, it does not price everything that is important in life.

I know this sounds strange coming from an economist. In this case, when the market is able to price, even imperfectly, the value of land, it fails to price the value of the right to shelter and, in particular, the affordable shelter.

A friend once liked to quip that, "price is what you pay but value is what you get". Economists fully understand this, which is why we do not rely solely on the market to govern our lives. So, while it is probably true that it would be a step too far to price land at zero, it is also not unreasonable to say that we should value public land in a way that simultaneously reflects these intangible values.

Mr Speaker, I have explained why house prices are too high. All we need, I believe, is a reboot. But if we were to do so, the fear is that the transition can be disruptive.

We already have home owners with mortgages in public housing who have contractual obligations to their banks based on current valuations. What will happen if we reset prices downwards? Even if we only roll these out for new flats, the cheaper pool of available public housing is likely to lower the resale value of the remaining existing stock.

The effects will not be limited to public housing either. Were HDB prices to tank, private home flat prices will likely follow suit. Those who plan to extract funds to finance their retirement may suddenly find themselves with less savings than they expected and those with mortgages may find themselves underwater, where they owe the bank more than what the price of their house is worth. Banks could in turn be faced with a slew of non-performing loans and worse, if homeowners choose to forfeit their stake.

This would be a disaster scenario, not unlike the aftermath of a financial crisis. But it does not mean that we allow a bubble to grow inexorably. What is needed is a gentle path to this new normal so that economic growth and especially incomes can eventually catch up and make high prices justifiable.

Let us start by recognising that this will not generally affect the vast majority of homeowners, either because they plan to stay put in their homes or pass it down to their children. They will face certain paper losses but this will likely be temporary. Their day-to-day will remain unchanged.

It will affect those who are currently over-invested in housing and wish to cash out for various reasons. In this case, the Government may need to step in to buy up excess leases, perhaps up to 30 years, to provide a cushion.

There is already a scheme in place for this – the Selective En bloc Redevelopment Scheme (SERS) or the Voluntary Early Redevelopment Scheme (VERS), although the details on each have yet to be ironed out in full by the Government for each case. The Workers' Party, on its part, has proposed a universal sale and lease buyback scheme, which differs in that we do not require a return of lease buyback balance into CPF.

But what do we do with those who have sold their flats? There are, of course, the existing short-lease 2-room flexi flats, which are rationally priced according to Bala's Curve because they are always resold to HDB. Alternatively, we can introduce limited duration public rental flats available for rent for a maximum of 10 years.

My Sengkang colleague, Mr Louis Chua, has previously shared details on a more comprehensive public housing scheme which would expand rentals to include larger format units and relax the eligibility criteria. Add to this a time limit which will further minimise potential abuse, this scheme will ensure a roof over the heads of those families who wish to eventually own but allow them to wait out until the market reset is complete.

While we do need to alleviate backlogs, in the near future, this strategy will prevent overbuilding —

Mr Speaker: Assoc Prof Jamus Lim, you have about a minute left.

Assoc Prof Jamus Jerome Lim: Yes – since more resale flats will eventually enter the market down the road.

In a response to Mr Louis Chua's speech, Senior Minister of State Sim Ann pushed back against the notion of expanded public rentals, suggesting that it could weaken our communities. Hopefully, I have made it clear that there is no magic between lease and rent. Rental is essentially choosing to rent month-to-month or year-to-year whereas leasing is to pay upfront.

For the last decade of my life, I was also a renter. I did not feel less connected to the communities where I lived nor do I feel less pride in customising the interior of my home to reflect who I was. I saw it as a stage of my life and once I was ready for ownership, I made the transition.

The bottom line is that we need to afford a wider range of housing options for Singaporeans who may be at different stages of their lives and careers to allow them to sever what is clearly becoming an ever more untenable link between affordable housing and retirement adequacy.

Mr Speaker: Mr Cheng Hsing Yao.

6.57 pm

Mr Cheng Hsing Yao (Nominated Member): Mr Speaker, Sir, I would like to declare that I work for a private real estate company that develops residential projects in Singapore and several other cities in Asia. We also invest in residential projects in the UK and Australia.

Previously, I was working as an urban planner with the Public Service and I studied architecture and urban studies in Singapore, the UK and the US.

A shortage of housing and especially affordable housing is a serious problem for many cities. Most countries and cities have some form of public, social or affordable housing programme. Around the world, there are plenty of rousing expositions by housing authorities on their ambition to address the housing shortage and how they are going to do it. Few actually are able to follow through and realise their plans.

What we have achieved in Singapore is unique, special and precious. It comes from generations of people who set enlightened policies, develop practical solutions and programmes and execute them systematically.

When we critique our public housing programme and suggest changes, we should be careful we do not inadvertently undermine a system that works.

I would like to touch on a few specific issues.

First, I would like to discuss whether land price should be factored into the cost of public housing.

Land is not free just because it is state land. In Singapore, we do not have much natural resources but our 700-square kilometres of land is one of the rare natural resources we do have. This is why it makes sense to safeguard our land as a reserve.

The present Government is only a custodian and not the owner of the land.

A piece of land has no inherent value. Compare a piece of land in, say, Queenstown versus a similar piece of land in the middle of a huge desert. Unless there is oil underneath, the land in the desert is not worth much. So, why is this piece of land in Queenstown worth so much more? Because it is in Singapore.

We have a vibrant economy, functioning tripartism, harmonious society, many talented and hardworking people and Singapore is one of the most liveable cities in Asia.

The public, private and people sectors work hard to make Singapore successful. Thus, our land becomes valuable.

There are also direct investments made from taxpayers' money to make the land useful and more valuable. For example, the investment put into building an operating Changi Airport and the various maritime ports connects us to international travel and trade routes.

There are also investments into laying the roads, MRT lines, sewers, water pipelines, power supply, optic fibre, tree planting and recreational parks.

To omit or defer the value of land when computing the cost of our public housing means we are writing off generations of investment into our economy, society and environment, writing off the direct investments in planning, infrastructure and maintenance, writing off the value on behalf of past, present and future generations of Singaporeans.

When our investment creates value, we need to be able to capture it and channel back to the state or our reserves so they can be reinvested to create more value. If we do not factor the value of land into the cost of public housing, we are creating an open loop for the land value to be given away for free. Some part of the society will enjoy a significant windfall from the free land while another part of society will be paying for the windfall. Factoring in land value into the costs of public housing closes the loop of value creation and value capture. It also prevents undue windfall for certain people only.

Next, I would like to talk about public housing prices in mature estates. Calling an HDB estate mature has come to mean better location and more desirability. Many have implied that their higher prices are somehow the failure of HDB or the Government. When we buy a product that is of better quality, has more special features or it is a well-recognised status symbol, we do not question why it is more expensive. This is because we know we are paying for the additional utilitarian and experiential value. Someone explained to me that this logic does not apply to HDB flats because public housing is a public good. It is for those in need. Because it is a necessity, prices should not differ too much between mature and non-mature estates.

To consider public housing as a public good catering to those who are needy is perhaps true in many other countries or cities. Because they are unable to scale up their public or affordable housing programme, they are only able to cater to a small proportion of the population, perhaps 20% or significantly less. In Singapore, roughly 80% of Singaporeans live in public housing. We can academically assume that up to the 80th percentile income earners live in public housing, although I suspect many Singaporeans who belong to even higher income brackets also live in HDB flats. Therefore, we cannot look at people living in public housing in Singapore as a homogenous group. We have low-income earners, middle-income earners and a good proportion of rather affluent Singaporeans living in HDB flats.

Mature estates command higher prices because they tend to be closer to town, have more established amenities, been renewed and upgraded. Their prices are higher because they offer more of what people desire. Their prices are higher because people are prepared to pay more to live there.

If we artificially suppress their prices through some form of price controls, additional subsidies or grants to buyers, we will be distorting the real prices. Mature estates will be severely over-subscribed, which will lead to some form of balloting in order to allocate. The winners of the ballots would enjoy disproportionate benefit compared to those who did not.

Singapore's public housing programme has gone way beyond providing just for necessity. It has been providing for wants and aspirations for some time now. Needs can be better defined but wants are much more difficult. Housing needs can refer to shelter function, basic amenities and transportation access. Housing wants can refer to location, views, size, lifestyle, special amenities, such as being near certain branded schools. The call to either bring down the prices in mature estates or provide more grants to make them more accessible will ultimately lead to the same things – more subsidies in the form of taxpayers' money or tapping into the reserves.

In Singapore, we are not facing a severe housing shortage. Non-mature estates are well-planned, well-built, well-served by necessary amenities and public transport. Therefore, is living in the mature estate a necessity or a non-essential? To what extent should we use taxpayers' money or our reserves to fulfil non-essential demands of a specific group of people? I believe the Government's responsibility should not be extended indefinitely and it has to stop somewhere. Let us not forget the so-called mature estates were once new towns. So, buying into a non-mature estate and paying lower prices can be a good option because they will be tomorrow's mature estates.

I would now like to talk about the Selective En bloc Redevelopment Scheme (SERS) programme. Many of us think of SERS as a means to intensify land use. Many older HDB estates are built to lower densities and specifications. In land-scarce Singapore, SERS help to optimise the use of land. SERS also has another very important function, that is, urban renewal. Many cities around the world face the problem of urban degeneration in their older city core or ageing estates. Buildings, infrastructure and local community degenerates through time if they are not regularly renewed. Older buildings are built to lower specifications and are less able to meet new expectations. For example, many older HDB flats are not designed for universal access.

Without urban renewal, estates go from degeneration into decay. People will move out and property values will fall drastically. For many city authorities, they are unable to effectively carry out urban renewal because it is very costly. It is challenging to acquire existing properties or relocate people living there. As a result, many city authorities put substantial resources into developing new districts on unencumbered land while leaving older neighbourhoods to fend for themselves.

When a precinct goes through SERS, there is an uplifting effect on the surrounding neighbourhood as well. New amenities are introduced, more young people move in, some infrastructure also get upgraded, the vitality and attractiveness of the surrounding older neighbourhoods are also improved as a result.

Urban renewal is not a one-time affair but a continuous effort. Each SERS project requires a lot of capital. To have a sustainable renewal programme, there has to be a sustainable way to fund it. The Government cannot run huge losses for each SERS project. Furthermore, as so much public funds are involved, a strict discipline must be maintained in its execution. The methodology of valuing and pricing old as well as new flats in a SERS programme must follow a consistent and established professional practice and public policy. This allows the Government to properly assess the feasibility of each SERS project and carry it out according to plans. It also maintains impartiality as the Government moves from one SERS project to another. We should not allow the methodology to be modified at will because it is equivalent to having the Government dictate values arbitrarily. This will open the doorway for manipulation and other dire consequences.

Valuation and pricing must be rational and untainted by emotions. This is not to say we ignore the plight of the individuals who may have extenuating circumstances. Assistance can be offered through separate designed schemes based on a different set of policies.

Lastly, I would like to talk about trade-offs in public policy making. Public policies and programmes have a multitude of imperatives to fulfil. These different imperatives converge and contradict at the same time. They also have to cater to a multitude of stakeholders with very different needs and wants.

An enlightened public leader will carefully weigh the pros and cons of each policy option, never downplay the trade-offs and never sacrifice the long-term benefits for short-term gratification. The enlightened leader will choose the most optimal pathway that best meets the policy objective. Whichever path is taken, some will be more adversely affected than others. This does not mean the policy has failed. As I said earlier, a separate support measure can be introduced for those who are seriously affected.

We should upkeep such an enlightened way of discussing and making public policies. In recent past, we can see many examples around the world of how countries would get charmed by appealing rhetoric that understates the trade-offs and real costs. They ended up making very poor choices for themselves. Eventually, it is still the people and the man-in-the-street that suffered the most.

What worries me is our sense of Singapore's vulnerability seems to be eroding. This is perhaps because we have been doing so well for such a long time. Sometimes, I think people do not believe the trade-offs we are grappling with are real. It seems they believe we can just tap into our reserves to pay the trade-offs away.

In business, every promise for a reward is usually accompanied by a corresponding risk. When we look at business deals, the ones that are too good to be true usually are. Public policies are the same. *[Applause.]*

Mr Speaker: Mr Louis Chua.

7.09 pm

Mr Chua Kheng Wee Louis (Sengkang): Mr Speaker, I would like to first declare my interest as an equity research analyst in a financial institution covering the real estate industry.

Mr Speaker, "Insanity is doing the same thing over and over but expecting different results." This saying is usually attributed to Albert Einstein, but one might argue it also appears to be the current approach to the multitude of housing-related issues we are seeing in Singapore today.

HDB is prepared to launch up to 100,000 flats in total from 2021 to 2025, if needed. HDB will continue to monitor housing demand and make adjustments, where necessary.

These statements were first made known in December 2021, after a broad suite of property cooling measures were introduced. We had another round of cooling measures in September 2022, with a particular focus on the HDB market. Yet, following multiple Parliamentary Questions (PQs) and speeches by myself and other fellow Members of Parliament, iterations of statements quoting the "up to 100,000 flats" from 2021 to 2025 figure remain.

I say that there is a clear need today for not just 100,000 flats in total from 2021 to 2025 but certainly more, and it is clearly necessary to make adjustments urgently. The objective of my speech today is thus a very simple one: for the Government to urgently execute on the policy to boost the supply of housing to address the shortfall in the market today.

It is not difficult to see manifestations of the severe demand-supply imbalance in our housing market today.

In the latest fourth quarter 2022 housing data release, HDB resale prices continue to remain firm, rising 2.3% from the last quarter, with the increase higher than the 2.1% quarter-on-quarter increase initially estimated for the quarter. This was in spite of the cooling measures introduced in September 2022. For the full year 2022, HDB resale prices saw another year of double-digit price increases at 10.4% compared to a year ago. In the last three years, HDB resale prices rose by a whopping 31%.

Private residential prices, similarly, rose in spite of rising interest rates, though the extent of increase is ironically nowhere near that of the public housing market, with 2022 price increases of 8.6%, while in the last three years, prices were up by 22.8%. To put it simply, resale HDB prices are rising far more rapidly compared to private residential prices. Importantly, there appears to be some signs of moderation in the private residential market, with prices up just 0.4% quarter-on-quarter versus 3.8% a quarter ago.

The residential rental market is, for lack of a better word, in an even scarier situation. Private residential rents rose by 7.4% in the most recent quarter alone, with rents up 30% in one year and 42% over the last three years. While HDB does not publish a rental index, a comparison of median rentals across HDB towns paints a similar uncomfortable picture. And just a few days ago, Shin Min Daily News reported that a 74-year-old HDB unit at Seng Poh Road was rented out at \$6,200 a month. For 4-room HDB flats, median rents have risen by 22% to 50% in the last one year alone, with median rents up 29% to 68% in the last three years. And these are just a comparison of median rents, and to paraphrase what one of my residents at an earlier Meet-the-People Session (MPS) shared with me when I quoted median rents in the market, he asked me to try and go on PropertyGuru to see whether you can find such low rents.

It is not hard to imagine how the rental market got so out-of-hand. Private residential vacancy rates are hovering near historical lows, at 5.5% as of the fourth quarter of 2022. For the HDB market, in response to my Parliamentary Question in October last year, MND shared that over the past five years, the annual average number of unoccupied HDB units ranged from about 1,400 to 3,900. These units make up a mere 0.1% to 0.4% of completed flats.

While multiple rounds of cooling measures in the past have typically focused on the demand side of the home purchasing equation, fundamentally, I believe the shortage in supply is a key contributing factor causing the imbalances we see in the market today.

I acknowledge that compared to 2021, housing supply is set to increase by about 35% over 2022 and 2023, with about 23,000 BTO flats to be launched per year. Moreover, the HDB stated that it is prepared to launch up to 100,000 flats in total from 2021 to 2025, if needed, subject to prevailing demand. These numbers, however, need to be put in context.

Even if HDB decides to launch the whole 100,000 flats in total from 2021 to 2025, this implies that BTO supply falls 20% to about 18,400 flats in 2024 and 2025.

Moreover, while the average of 20,000 BTO flats between 2021 and 2025 is an increase compared to an average of 17,000 flats between 2016 and 2020, this is still 13% below the average of 23,000 flats in 2011 to 2015, during the time when Mr Khaw Boon Wan was Minister for National Development and sought to address the backlog in HDB flats.

We have already seen BTO application rates climb steadily over the past decade to new highs. For 3-room and larger flats, this increased from 2.8 times in 2012 to 6.1 times in 2021 and 5.5 times in 2022. Including 2-room flexi flats and on an overall basis, BTO application rates have climbed from about 2.8 times in 2012 to 5.6 times in 2021 and 5.1 times in 2022.

What is of greater concern is that despite the ramp-up in supply with 35% more units last year, overall application rates have remained stubbornly high at 5.1 times in 2022, compared to an average of just over three times in the past decade – suggesting that the level of demand-supply imbalance remains a critical concern.

The issue of supply shortages is not unique to just the public residential sector but, similarly, applies to the private residential market as well, given the similar approach taken by the Government.

Again, I note that in percentage terms, the Government has increased the supply of private housing, including Executive Condominiums (ECs) on the confirmed list of the Government Land Sales (GLS) programme by 75%, from about 3,600 units in 2021 to around 6,300 units in 2022. In the first half of the 2023 GLS programme, the number of units has also increased by about 17% half-on-half to about 4,100 units.

We must, however, put these numbers into context. Last year saw the lowest annual primary sales volumes across private housing and EC units in the last 14 years. But there were about 8,600 units being sold. More than 36% of the number of units made available in new supply in 2022, if we consider the last 10-year average primary sales volumes of about 12,000 units, then essentially, last year's supply is just about half of the average annual sales volume.

It is no wonder that the level of unsold inventory in the private residential market is hovering near historical low levels today. And as I have shared earlier, private residential vacancy rates are hovering near historical lows. So, it is not as if we are looking at "ghost towns" being built. If, and even if, there truly are excesses, whether in the short run or medium run, these can be repurposed into public rental flats which my hon friend Assoc Prof Jamus Lim has elaborated on.

Fortunately, or unfortunately, the private sector has its way of adding to residential supply through en bloc and redevelopment schemes, which partially mitigates the supply situation. A cursory look at the new launches for 2023 would suggest that a significant number of them are derived not from GLS, but also from en bloc and redevelopments concluded over the last few years.

What, then, has been the key drivers of residential demand? In response to my Parliamentary Question in October, MND shared that demand for housing has been broad-based. On this point, I fully agree with the Government's assessment of demand.

More households are forming as the echo-boomer generation are getting married, especially with the easing of COVID-19 measures. We also see societal trends shifting to smaller households, as young couples, singles, as well as adult children, choose to buy their own homes instead of living with their parents.

Indeed, I have observed that the growth in resident households has, over the past decade, consistently outpaced that of the resident population. To put into context once again, the number of BTO flats launched, the number of citizen marriages was cumulatively about 230,000 over the last 10 years up to 2021. However, the number of HDB BTO flats launched was only about 192,000 units or so in the

same period. Yes, there could be a minority of citizens who can purchase private residential housing as their first home, but even ignoring demand from other groups of Singaporeans, the number of flats appears to be insufficient to meet even the demands of our newly-weds.

The shrinking of overall average household sizes also does not appear to be letting up, at 3.15 as of 2021, the lowest recorded figure since 1990 when it was over 4.2. MND, too, noted in a Parliamentary Question response in November 2022, that over the past 20 years, the average household size among resident households living in HDB flats shrank from 3.57 to 3.09. For the near future, MND expects housing demand to be robust due to strong household formation and societal trends towards smaller households.

My question, then, is if it is already a known fact to the Government that the demand for housing is broad-based and it is unlikely that societal trends are going to go into reverse anytime soon, should we not take more proactive steps to address demand from Singaporeans, rather than try to curb demand?

Moreover, I believe net immigration into Singapore could add further strain on local housing demand. In the latest labour market report for the third quarter of 2022, MOM noted that the labour market maintained its growth momentum in the quarter, as total employment continued to expand robustly, led by non-residents at 71,100, compared to residents at 4,800.

We are seeing high occupancy rates at dormitories as the number of Work Permit holders in the Construction, Marine and Process (CMP) sectors is currently at more than 10% higher than pre-COVID-19 levels. Two weeks ago, The Straits Times reported that record-high HDB rents and difficulties in securing accommodation are driving Malaysians working in Singapore to live in Johor Bahru and commute to Singapore daily for work instead. Should the non-resident labour force continue to grow, this could continue to add further strain on our already strained housing market situation. Can more be done? I certainly think so.

In October last year, I asked if additional sites can be activated to increase the number of HDB BTO flat launches beyond the current plan to launch up to 100,000 flats in total, from 2021 to 2025, should demand exceed current projections and if not, what are the constraints for not being able to do so.

Apart from reiterating existing plans to launch up to 100,000 flats between 2021 and 2025, I do not think I got a response to my question. However, if we look at the HDB BTO launches over the last 10 years, approximately half of the sites used for public housing developments over the past 10 years were greenfield. In comparison to brownfield sites, and certainly so for sites which are already located within existing housing estates, there need not be as much land preparation works that need to be done.

Just last month, the hon Mr Gan Thiam Poh even asked whether the open land between TPE and Fernvale Street will be used to build HDB BTO flats to meet the increased demand for public housing and if so, when will HDB flats be built there. I note that based on the URA's gazetted Master Plan 2019, plot ratios for certain sites have even been determined at 2.1 and 3.5, with the road name Fernvale Crescent also decided. So, like Mr Gan, I too hope MND will launch HDB flats at Fernvale Crescent soon.

I am comforted by Prime Minister Lee's comments during the National Day Rally late last year, where he shared that and I quote, "We have done our studies and planning. We will have enough space for future generations. Our problem is not finding the space to build enough flats, nor keeping homes affordable for Singaporeans. We know how to do that."

I, thus, sincerely hope the Government can take urgent and decisive steps to increase the availability of public housing and ensure that the housing needs of all Singaporeans are met. Allow me to conclude in Mandarin, Mr Speaker.

(In Mandarin): [Please refer to [Vernacular Speech](#).] The Government often stresses that home ownership has been, and will always be Singapore's key housing strategy. Since this is the Government's position, it is only natural for us to believe that the Government can effectively implement this strategy.

I acknowledge that compared to 2021, housing supply is set to increase by about 35% over 2022 and 2023, with about 23,000 BTO flats to be launched per year. Moreover, HDB stated that it is prepared to launch up to 100,000 flats in total from 2021 to 2025, if needed, subject to prevailing demand. These numbers, however, need to be put in context.

Even if the HDB decides to launch the whole 100,000 flats in total from 2021 to 2025, this implies that BTO supply falls 20% to about 18,400 flats in 2024 and 2025. Moreover, while the average of 20,000 BTO flats between 2021 to 2025 is an increase compared to average of 17,000 flats between 2016 and 2020, this is still 13% below the average of 23,000 flats in 2011 to 2015, during the time when Mr Khaw Boon Wan was Minister for National Development and sought to address the backlog in HDB flats.

We have already seen BTO application rates climbing steadily over the past decade to new highs. What is of greater concern is that despite the supposed ramp-up in supply in the past two years, overall application rates have remained stubbornly high at 5.1 times in 2022, suggesting that the level of demand-supply imbalance remains a critical concern.

Last September, I tabled an Adjournment Motion in Parliament to call on the Government to take decisive steps to increase the availability of public housing and solve the imbalance between supply and demand. Prime Minister Lee Hsien Loong said during the National Day Rally 2022 that "our problem is not finding the space to build enough flats, nor keeping homes affordable for Singaporeans". Today, I sincerely hope the Government can seriously consider our request and the people's request by ensuring an adequate supply of public housing to help Singaporeans realise their home ownership dream.

Mr Speaker: Ms Denise Phua.

7.25 pm

Ms Denise Phua Lay Peng (Jalan Besar): Sir, the success of Singapore's public housing programme is world-renowned. About 80% of citizens own their own homes today, one of the highest home ownerships in the world, and 80% of Singapore's resident population live in HDB public housing.

The original public housing policy intent: the late Mr Lee Kuan Yew, founding Prime Minister of Singapore, has placed public housing as a key pillar of the People's Action Party (PAP) mandate to improve the living standards for its people. Ensuring that citizens have a roof over their heads, and later, promoting home ownership, is the paramount priority of the PAP Government.

Over the years, as Singapore progresses, HDB flats also evolved to meet the changing needs and expectations of residents. We see the building of beautiful housing landmarks, such as The Pinnacle@Duxton and Punggol 21. Some of them are comparable to, and even look better than private leasehold developments, and at less than half the prices.

Our CPF relaxation also means that many times, there is no cash outlay and one can tap on CPF to pay one's mortgage. Such is the success and appeal of Singapore's national housing programme.

But is Singapore a victim of its own successful public housing policy, some asked. Many Singaporeans now see owning an HDB flat as a rite of passage and even an entitlement. The initial goal of HDB to provide a home for every Singaporean has long been surpassed. In an effort to accommodate the changing needs and aspirations of residents, HDB has now given owners the flexibility to both own HDB and private properties, and even renting out their HDB flats while living in private properties.

It is, thus, not a surprise that a number of Singaporeans see an HDB flat as an investment vehicle to make a windfall profit upon sale. Some purchase private properties after their Minimum Occupation Period (MOP) and rent out their HDB flats as a source of passive rental income. We have even heard of instances when HDB homes were sold in the market immediately after MOP and advertised to be "hardly lived in" or "as good as new".

The popularity of mature estates: Sir, I believe that the popularity of mature estates is the elephant in the room. The returns appear to be even higher for those who are lucky enough to procure an HDB flat in or closer to the city or mature estates, the more popular places. The popularity of mature estates has led to excessive demand, longer wait times and a reluctance to consider other locations.

It has also led to some uniquely Singaporean behaviours of courting couples in Singapore. Whilst applying for an HDB flat used to mean a serious intent to settle down for marriage, it is not always so now. I know of couples who apply for an HDB flat within a few months of courtship, citing the long waiting times for a matrimonial home. Yet, others who are more serious in their relationships decide that they would delay marriage and having children until they procure their permanent housing.

I commend the Government for having the political will and courage to implement the latest Prime Location Public Housing (PLH) programme, with features, such as the longer MOP, tighter rental restrictions and recovering of additional subsidies. This is helpful to those, especially my residents in the Central District, who want to buy with the intent to stay, especially in the prime locations and mature estates.

Alas, it may be too late for HDB to turn back the clock entirely and revert to the policy of only insisting that one must live in one's HDB flat, disallow one to purchase a private property whilst owning an HDB flat. Times have changed. Needs and aspirations of home owners have changed over time and some flexibility is to be expected. However, the fundamental purpose and priority of public housing has to remain to provide for affordable housing for each Singaporean household to live in.

The key, now, Sir, is then to balance between home owner-occupation and investment, and second, to manage the demand for HDB flats in popular mature estates versus non-mature estates.

First, on balancing between home owner-occupation and investment. I suggest the following.

One, continue to apply the principles of the PLH scheme to the popular and mature HDB estates, to further strengthen the owner-occupation intent of public housing and to weaken the investment intent. Where need be, the Government must have the moral courage to apply the same principles to all HDB estates with stricter applications to the popular locales.

Two, continue with the additional buyer stamp duty (ABSD) introduced by the Government to tax the purchase of second and subsequent residential properties. Industries, professionals and potential buyers I spoke to have found that this ABSD measure is effective. It is an effective cooling measure. My suggestion is to make a bigger distinction between the ABSD that Singaporeans have to pay versus Permanent Residents (PRs) and foreigners, to ensure that Singapore properties will be less costly to Singaporeans and will remain mostly in Singaporeans' hands. If non-Singaporeans wish to purchase more Singapore properties, they should pay a higher price.

Next, on balancing the appeal of mature versus non-mature estates. We need to engineer demand away from popular mature estates. Like what Nominated Member of Parliament Cheng Hsing Yao mentioned, is it "a must-have" or "a nice-to-have", to stay in a popular estate? HDB should engineer a change to shift demand away from the mature estates.

Let me propose some ways. One, build even more appealing satellite towns away from the popular estates through better residential concepts, better education facilities, business hubs and transport amenities. HDB has done it before and can do it again. Bishan, once unpopular because it was a former graveyard is now one of the most sought-after, due to good schools and excellent public transport

connections. The new town of Punggol with its waterway, parks and jetty, and a proposed Punggol District Park is another.

Two, provide more substantive financial and non-financial incentives especially for first-time BTO applicants to move to non-mature estates. It is not uncommon to hear of governments in other countries providing very attractive incentives to entice people, citizens to relocate to targeted residential zones.

Three, do more for couples embarking on marriage and parenthood, especially first-timer applicants. Take a calculated risk at least in the short term to Build-Then-Order, to advance build for this group, building in advance, instead of just Build-To-Order.

I am really glad that the Minister is considering shorter waiting time flats and I would urge him to consider an even shorter or no waiting time flat for these genuine first-timers.

Finally, I just want to say a few words about Mr Leong Mun Wai's latest proposals, the Affordable Homes Scheme, which introduces a deferred land cost to a newly purchased flat. I hope I have heard the proposal correctly because Mr Leong has moved from his former position of excluding land cost totally from BTO flats to now, a deferred land cost.

According to this proposal, from what I heard, a buyer will need to pay only: one, a construction cost; and two, a notional location cost, when he buys a flat. HDB will then record the historical cost of this flat which will then be clawed back when a buyer decides to sell. This way, according to Mr Leong, a Tengah flat, which is quoted at \$350,000 would go for \$140,000. And I guess it will just take one to two years of one's annual pay to pay up this flat. And, if the owner decides to stay, then he will get to keep the flat at \$140,000. A flat indeed without land cost.

Mr Leong is indeed proposing a very big Valentine's Day gift of a double subsidy to every Singaporean BTO buyer. I wonder how this will be financed or traded-off against other national needs, such as healthcare, education, not to mention the current housing deficits.

I also have a question. How does Mr Leong's proposal address the elephant in the room that I have mentioned, that mature estates in prime locations are still highly sought after? A Bishan BTO today costs about \$500 to \$600 per square foot, while a private property just across the road at Skyview costs \$1,700 per square foot – more than double the BTO price. How does Mr Leong's proposal address this elephant in the room that there are still mature estates that are still very popular and how do you meet the needs of first-time owners who want to live in these prime locations?

Is this solving a housing affordability issue or just confusing the issues? So, I seek Mr Leong's clarification on his proposed Affordable Homes Scheme. How much would the Affordable Homes Scheme cost in total to taxpayers, especially to Singaporeans who do not get to enjoy it? And how does the high demand for prime location, mature estate housing be addressed, versus my earlier suggestions? I look forward to Mr Leong's clarification.

Sir, in conclusion, Singapore's public housing programme is world-class. It is now so appealing that most young Singaporeans want to have a piece of it, want to be part of this. I do not think it is broken, but it can further evolve to ensure that priority is indeed given to fundamentally housing our citizens. Housing policies and pricing decisions everywhere in the world are complex and involve decisions that affect economic, social and political stability. We cannot just reboot or reset at will. So, I urge Singaporeans not to be taken in by populist suggestions to undermine our precious national public housing programme. I support the Motion by the Minister for National Development.

Mr Speaker: Mr Sitoh Yih Pin.

7.36 pm

Mr Sitoh Yih Pin (Potong Pasir): Mr Speaker, Sir, thank you for allowing me to participate in this debate. I would like to spend the next few minutes to provide my thoughts after listening to the comments by Mr Leong Mun Wai and some of the Progress Singapore Party (PSP) and Workers' Party (WP) Members of Parliament.

Firstly, there is talk about the pricing of land, whether you should price it below market price, whether you should transfer it at historical price and so forth.

As an accountant, I can tell you there is a fundamental basic principle in accounting, which is that everything must be done at arm's length. It is called an arm's length transaction, that is, goods and services must be provided, sold or transferred at arm's length prevailing market prices. This is basic accounting. This is basic corporate governance.

And that is why you cannot transfer land at historical cost, at \$1 or whatever. Because you must make the HDB management and the board accountable for all its operations. When you do it at less than market price, they are going to have a field day with what they want to do. This just does not make sense.

The second point that was raised was whether this amounted to a raid on our reserves. To be very, very honest, my brain is not very big and it is not very fast. It took me a while to figure out why Minister Desmond Lee said it amounted to a raid on reserves – and it is. Let me again try to explain it in my very simplistic manner. I have not discussed this with Minister Desmond Lee, but I hope I get it correct.

Let us say there is a piece of land here. The authority – whether it is the Singapore Land Authority (SLA) or the Urban Redevelopment Authority (URA) – can decide to give this piece of land to HDB to develop. But on the other hand, it can also decide to sell this same piece of land to the private sector. If he sells it to the private sector, we all know there is a Government Land Sale, the proceeds would then go

into reserves and then it is invested and that is where we get our Net Investment Returns Contribution (NIRC).

So, if you just give it to HDB at \$1 or less than the market price, you are in effect depleting the reserves. It is an economic cost forgone. Mr Leong Mun Wai will know this because he is an Economics graduate from Japan, I think.

Are there instances where land is transferred at less than market price? I think there are; I have not checked this. I think there are. And let me give some examples. Gardens by the Bay is in a prime location. If it is not transferred at a nominal price, it cannot be built. It is a project by NParks.

Second, Government hospitals. Government hospitals, I think, should be transferred at nominal value because we need to build hospitals for our elderly and for our fellow Singaporeans.

SAF training camps and training grounds must have been transferred to the Ministry of Defence (MINDEF) at a very low cost because that is for national defence.

Gardens by the Bay and public hospitals are public amenities for the public to use, for the public to enjoy. And that is why it justifies transferring the land at below market price. But your HDB flats are public housing, but it is not a public home for the public to walk in and out. It is a home that Singaporeans own and they live in and have their own privacy. So, because of that, there must be a price to the land cost. And the price must therefore be the prevailing market price as assessed by the Chief Valuer.

Sir, there is a song called "Be Careful What You Wish For". Because some of the arguments put up by Mr Leong, I think, whilst I am no property expert and neither is he, I think it is going to lead to a decrease in BTO prices, it is going to lead to a decrease in resale prices. And not that it has not happened. I think if my memory serves me right – in 2003 and 2004, after the 1997 Financial Crisis, there were unsold HDB flats; tens of thousands of them. There was walk-in selection, where people walked in and they bought the walk-in flats at prices lower than those for the people who have queued for their flats.

So, be careful what you wish for, because if I go by Mr Leong's methodology, we can be in a lot of trouble.

Over the Chinese New Year, I came across an article by a BBC correspondent. It is an article written in January, last month. It says, "Japan was the future, but it is stuck in the past." Singapore was the future, is the future and, as an aspirational country, we definitely want to be the future too.

Let me read to Members a paragraph, very interesting to me, in this article. I quote, "Then in 1991, the bubble burst. The Tokyo stock market collapsed. Property prices fell off a cliff. They are yet to recover."

A friend was recently negotiating to buy several hectares of forest. The owner wanted \$20 per square metre. My friend told him forest land is only worth \$2 per square metre. But he insisted he needed \$20 a square metre because that was what he paid for in the 1970s. Never mind that this is forest land. You go to Tokyo, you go to Osaka. It is the same. The property prices have never recovered in the last few decades. Is that what we want?

So, the song goes again – be careful what you wish for. I wish I could sing it to you, but the Standing Orders do not allow me to sing in Chamber.

Mr Speaker: Please do not. *[Laughter.]*

Mr Sitoh Yih Pin: So, I was reading just last night as I was trying to research for what I want to say today. But after hearing, I decided to put aside my speech and maybe I should respond. I think there is a quote by Lenin from Soviet Russia. He said something along the lines like, there are decades where nothing happens, but there are weeks where decades happen. If I go according to Mr Leong's or the PSP's methodology, those few weeks and those few months can see our property prices crumbling. Is that what we want?

I am 60 years old this year. I have seen episodes in my life. What I have learnt is that when you come down it is very steep, it is very slippery, it is very fast. But when you try your way to recover and to climb back up, I can tell you the slope is very, very gradual. It is going to take you a long time.

So, again, be careful what you wish for, especially in Singapore where 89% of our population are home owners. It is unlike other places. In Hong Kong, for example, it is 51%.

So, if we do what Mr Leong suggested we do, are we able to stomach it? And another lesson I learnt in life is that when you do something, you ask yourself whether you can stomach it, because if you cannot, do not do it. Do not think about the upside because the upside is only a measurement of your happiness. That is something you can fully enjoy and fully be able to take in.

So, what do we hope to see? I think we hope to see something like a Goldilocks situation. Our prices can move steadily upwards and slowly, in line with our rise in income, not too hot, not too cold.

Mr Leong Mun Wai gave an example about Tengah. Actually, I was hoping that he would bring up Bidadari as an example, because Bidadari is in Potong Pasir constituency. By the end of 2025, there will be 9,000 new dwelling units in Bidadari.

I have visited the flats there. Overwhelming demand for the flats. They are all almost completely sold. Based on my estimation, I think the flats are sold at not mean household income, but the family household income, about maybe six times, maximum seven. It is more like six, of their annual income. And I think that is fully affordable, right?

Well, is there a problem? Yes, I think there is a problem. I will concede. The problem is the long waiting time, as residents at Meet-the-People Sessions have told me and emailed me. But the key reason for the long waiting time is because of COVID-19 and as Minister Desmond Lee has said, we are looking for ways to solve this as soon as possible.

Mr Speaker, Sir, I would like to conclude by saying that our housing programme is definitely not broken. In fact, I think it is very good. It has delivered many benefits to Singaporeans and will continue to do so. Can we improve? Sure. Of course, we can improve. And that is why there are public policy adjustments from time to time.

Again, I want to say, be careful what you wish for, because we are having a good run. It has taken us 60 years, almost 60 years, to reach where we are today, because we have got hardworking people, we have got good jobs, we have got good economic growth and the nation has progressed. But there is one more thing, one more key important reason that I feel we do not talk about enough. And it is because the PAP Government has earned its place amongst our people. We have built upon the strength of this nation. One people, one heart, "one semangat" or one spirit. *[Applause.]*

Mr Speaker: Mr Murali Pillai.

7.48 pm

Mr Murali Pillai (Bukit Batok): Mr Speaker, Sir, I have the invidious task of going after Mr Sitoh Yih Pin, I do not think I can match his energy, even though he is 60 years old and I am born five years later. Please allow me to first deal with the Motion in the name of the hon Non-Constituency Member of Parliament Mr Leong Mun Wai and to contrast it with that standing in the name of the Minister for National Development.

On the first Motion, I have no quarrel with the need for this House to review public housing per se, to ensure that public housing is kept affordable, accessible and inclusive for every Singaporean of each generation. The hon Member Mr Leong Mun Wai suggested that the second Motion precludes this review notion. I do not think that is the intent. In fact, Prime Minister Lee Hsien Loong himself committed in this House that all public policies will be reviewed. But he also said that the values that the PAP Government stands for, that remains firm. And the values embedded in this Motion, about providing our Singaporeans with affordable and accessible housing, taking care of the interest of the current and future generations of Singaporeans – those values, as far as I am concerned, are immutable.

I strongly reject the insidious premise of the first Motion; that the review is required "in order" to deliver affordable and accessible housing, which is to say that this Government is not doing so now for the majority of Singaporeans.

Respectfully, there is no basis for this allegation. I will show why this first Motion rings hollow and sounds naive. Today, as hon Members before me have said, Singapore has a very high rate of home ownership of 90%. This makes Singapore as having the highest rate of homeownership in the world. In comparison, close to 70% of European Union residents own their homes. In Switzerland, it is about 39%, in the UK and US, it is about 65%.

The United Nations (UN)-Habitat issues publications to provide reliable and independent documentation of housing programmes across the world. In its 2020 report on Singapore, the authors made the following points: (a) more than 80% of Singapore residents own and live in public housing provided by HDB; and (b) this addressed the housing unaffordability and accessibility problem that we encountered in the 1960s.

Not only that, the quality of public housing in Singapore is high. The hon Nominated Member of Parliament Mr Cheng Hsing Yao spoke eloquently about this and the factors that have contributed to this. It is embedded with various upgrading programmes, at a cost that is borne largely by public funds. There is supportive infrastructure and amenities too like MRT stations, schools, shopping centres, swimming pools, sporting stadia and other facilities.

How does this compare with other countries? We need only ask the well-travelled Singaporeans amongst us. The fair-minded will say that we compare very favourably and I fully agree with the hon Nominated Member of Parliament Mr Cheng that Singapore is one of the most liveable countries in the world.

The UN-Habitat report is from a reputable international organisation that does not have to humour Singapore. What the hon Non-Constituency Members of Parliament have suggested in their Motion is at variance with the report.

Now let me outline the difference between the first Motion and the second Motion. The first states aspirations without cost – hence, it is naive. The second requires pain and choice. The first speaks as if everyone is entitled; the second requires us to respect the differences in society.

Let me put this more plainly – the second Motion bears the signature of two key components of the PAP Government – socialism and long-term planning. First, it requires that the Government balances the different interests within the current generation, showing us that there are contestations among different groups even today. In this, the Government's philosophy has been socialist – that the least among us must have the most.

Second, the Motion requires us to make a difficult political choice – to be fair, not just to the citizens of today, but to those of tomorrow. This is difficult because we must resist the political temptation to pander to the voters of today who decide based on the tangible benefits which they can see and experience, rather than any notions of fairness to people to whom they owe nothing – the citizens of tomorrow.

And yet, this PAP Government is a strange creature that feels this debt and in housing, as in so many other policies, including most recently, climate change adaptation, it has committed itself to the long-term.

On housing affordability, it may be useful to bear in mind how Singapore compares with the Organisation for Economic Co-operation and Development (OECD) countries. An average household in the lowest quintile of an OECD country spends 37% of the household income on housing. For the middle-income households, this translates to 31%. In fact, they spend most of their money on housing as compared to other essentials such as food and clothing, education and health.

Let us compare this to Singapore. The hon Minister had recently explained that the Government provides subsidies and grants to allow the vast majority of Singaporeans to purchase homes which are about five times their annual incomes and he also mentions that this compares very favourably to cities like London, Los Angeles, Sydney and of course, Hong Kong too.

The Progress Singapore Party (PSP) Members of Parliament dispute this. They feel that the servicing of the mortgages through the CPF presents a cost, even though it may not be accompanied by cash payment for most Singaporeans. Now, I want to highlight that you can only use the Ordinary Account of the CPF to fund housing instalments. The Special Account is preserved, the Retirement Account is preserved. At the end of the day, what is the PSP referring to as cost? This is really our retirement. So, when the people, the residents pay through CPF and when they sell their house, they get a refund, it is really to secure their retirement. Now, if this is not a good idea, then what is PSP's proposal to take care of the retirement needs of such people?

Indeed, in the 2022 Urban Land Institute Asia Pacific Home Attainability Index, Singapore's public housing was ranked as the most affordable. This speaks volumes.

I do recognise that there are fellow Singaporeans who feel that housing has become very expensive and out of their reach. For example, one third of the cases in my Meet-the People Sessions now relate to housing matters – and quite a few of them are young people who are in the queue for flats, just like what Mr Sitoh Yih Pin had said.

Here, I want to acknowledge that they are anxious because the wait has been longer than expected for their flats and with rents being so expensive, the pain of the wait is very real. It is difficult, but useful, for us to distinguish the problem of a delay in getting a flat with the problem of affordability. The comparison I gave just now, as well as the fact that many Singaporeans can service their mortgages through CPF alone speaks volumes.

On the problem of delay, as may be recalled, buildings across the world was affected by the pandemic and Singapore is no exception. HDB, as we heard from the hon Minister, is dealing with the problem decisively by building 100,000 units between 2021 and 2025, and that, I understand, is the forecast of the demand. The hon Member Ms Hazel Poa has suggested ramping it up to the numbers we saw in the 1980s, but is that a wise idea?

I cannot put it better than what Mr Sitoh had said. Be careful of what you wish for, because if you were to do it wrongly, then the sellers will get upset. Then we will get back to Parliament and somebody will be making arguments on behalf of the sellers. So, it has to be a very calibrated approach to make sure that you build in accordance with what the market can absorb, at the same time, deal with the aspirations of Singaporeans. It is a balancing act.

Let me give Members a comparison. In Hong Kong, it was announced that they are building 30,000 temporary public housing units over a five-year period. This is a temporary solution and it seems to me that they have a more difficult housing problem. The current waiting time in Hong Kong was reported to be 5.6 years. With this temporary solution, the government intends to cut it down to 4.5 years. In Singapore, the median waiting time is between four and 4.5 years and is expected to come down to below three years by 2024.

The hon Member Ms Poa had suggested the waiting time should also include time of an unsuccessful applicant, but as what the hon Minister had said, there are many, many ways for one to acquire, or several ways for one to acquire a BTO flat. You can apply for an SBF flat, you can apply for a BTO flat in a mature estate and you can apply for a BTO flat in a non-mature estate. So, these are different pathways. To just blanketly measure waiting time for all these cases together does not make sense, but qualitatively, we are already measuring it, because for those in a non-mature estate, they get priority and the Minister already said they will get their flat within three tries.

The Singapore ownership figures I highlighted does not, however, speak for the 3% in our population of Singapore residents who cannot afford to own their homes. For them, they are provided with public rental housing. This compares favourably with a number of other countries. In Hong Kong, it is 29% for social housing units; for Netherlands, it is 32%.

Monthly rents payable by Singaporeans depend on their household income. At the lowest range, for those who earn \$800 or less and have not owned subsidised housing before, it is between \$26 and \$33 per month. Although global comparisons are available, it makes the most sense to compare such rents against the next available option in Singapore – the private market. Hon Members will not be surprised to hear that such rooms go for 10 to 20 times more in the private market, even on a shared basis.

Not only that, I should also mention that our Government has specific policies to support households in rental flats to own homes. In the past decade alone, 7,800 rental households have progressed to home ownership. That is heartwarming and laudable.

I hope I have shown the underlying socialist bent in our public housing policy. During the chaos of the 1960s, many Singaporeans lived in squalor and only 9% of our population was in public housing. Then-Prime Minister Lee Kuan Yew envisioned a Singapore where all Singaporeans will own their own flats so that they will have tangible stakes in our nation.

This is the thing about public housing. Housing is not just for housing's sake. Housing can drive progress in connected areas such as better education outcomes from our children who live in better conditions, higher productivity and economic growth. With economic growth and generations of surpluses, we can then invest more in public housing. That was the virtuous circle that Mr Lee and his team built.

That may have sounded like a pipedream then. But, almost 60 years later, it is clear we have made substantial progress in achieving this vision. Singapore has been transformed and Singaporeans' fortunes have changed for the better. The hon Member Mr Leong Mun Wai said that historically, units were sold without HDB accounting for land cost. I dispute that, because when I looked at the financial statements of HDB, they have calculated that since 1960, about \$40-plus billion was owed by HDB in relation to the land cost of the land upon which public housing was provided. It is monitored and it is certainly in the books.

Our Government continues to invest heavily in public housing programmes, building affordable and high-quality public housing estates. At the same time, the investments and policies are carefully calibrated to ensure that the interests of future generations of Singaporeans are protected too. Much credit for this belongs to the past and present officers of HDB who were encouraged to think boldly and creatively to deliver on its mission of providing affordable and high-quality public housing units to generations of Singaporeans who have ever higher expectations and aspirations. We owe them a huge debt of thanks.

These officers and those in the Ministry of Finance (MOF) too, think of Singapore as an immortal being playing an infinite game. This means planning for the very long term and, as an economist said, "We will all be dead but our children and grandchildren and everyone we care for still live on."

With respect, having regard to what has happened over the past six decades, for the hon Non-Constituency Members of Parliament to insinuate through this Motion that public housing in Singapore is neither affordable nor accessible is rather rich.

This may be an opportune time for me to deal with the point that hon Member Leong Mun Wai made in his speech in this House about the Voluntary Early Redevelopment Scheme (VERS).

He said VERS is not a viable solution to the lease decay problem. This was because Singaporeans are expecting VERS to be like the Selective En bloc Redevelopment Scheme (SERS) for all, meaning there is an expectation for residents to be paid.

With respect, I question the hon Non-Constituency Member of Parliament's assumption that Singaporeans are expecting VERS to be like SERS for all. He is, respectfully, playing a dangerous game.

It may be useful to understand the factual context clearly. A person buying a BTO flat, say, in his early 30s, will get a 99-year lease. In such a case, there will be a more than sufficient remainder of the lease at the point of his retirement in his 60s or 70s.

This asset can be monetised through programmes such as the Silver Housing Bonus scheme or Lease Buyback Scheme. All these can provide them with decent financial support.

The hon Member Leong Mun Wai appears to be averse to such monetisation. What then would be the implications? How then would you support some people in these situations who want to enhance their retirement expenditure? What is PSP's proposal to that?

For those who have purchased resale flats, they would know the remaining length of the leaseholds beforehand. This would allow them to make informed choices before purchasing the resale flats.

For example, they may decide to purchase resale flats that may have substantial remainders that will allow them to monetise the assets like owners of BTO flats or they can decide to buy leaseholds which are long enough for them to stay in their homes until the end of their lives, which will naturally mean that the opportunity to monetise their assets will not be as good.

Whatever the reasons, they know when the leaseholds apart will expire.

Against this context, it seems to me unreasonable for a person who purchase a resale flat, knowing full well when the leasehold expires, to then expect to get compensation that is substantially more than the value of the tail end of the leasehold under VERS.

It may be useful to remember what the Prime Minister said in his 2018 National Day Rally speech. He specifically made the point that there was not much financial upside to VERS as compared to SERS.

Given what the Prime Minister had said, I struggle to understand why the hon Non-Constituency Member of Parliament Leong Mun Wai contends that Singaporeans are expecting VERS to be like SERS for all. What he is in fact asking Singaporeans is to dream an impossible dream and then ask the Government to make it true.

If we were kind, we would say he is being naive. But if we were honest, we would say something else.

I seek Mr Leong Mun Wai's permission to engage in a thought experiment to better understand the proposal that PSP made in its manifesto for General Elections 2020 – compulsory SERS for all old flats. That was the alternative to the PAP's VERS.

If we were to go back to what the Prime Minister has suggested or rather dealt with in his 2018 speech, he referred to three estates – Bedok, Ang Mo Kio and Marine Parade. He mentioned that all of them were built around the same time, between the 1970s and the early-1980s. I did a calculation. They probably have about at least 117,000 units.

If all these flats were to be SERS-ed, what would be the compensation that PSP proposes to pay, given the position that Mr Leong Mun Wai took in his Adjournment Motion?

He would very well know the compensation that Ang Mo Kio SERS units get. As a median, it is about \$411,000 per unit. If you were to just multiply the units, I get a figure of at least \$40 billion. As I understand, that is the market rate. What is being suggested is a higher rate so that there is some cash from VERS – just like SERS.

So, what would then be the amount? Just to give you some comparison, our spend for our annual budget is about \$100 billion. This is coming in at \$40-plus billion just at market rate. I would be grateful for Mr Leong Mun Wai's elucidation of the PSP's proposal that there should be compulsory SERS for all flats.

I now turn to the Motion standing in the name of the Minister for National Development.

I support the Motion for its underlying philosophy of socialism and its long-term policy orientation. I would like to contribute several suggestions to ensure that the less fortunate amongst us will continue to be well looked after.

First, as I alluded to earlier, the importance of ensuring that our public housing scheme provides all Singaporeans with access to affordable homes extends to well beyond the specific purpose of providing roofs over our heads.

One area that I am concerned about is how our housing policy is connected with the development of human capital.

Singapore has done quite well in this area. In the most recent World Bank Human Capital Index, Singapore ranks as the best country in the world in human capital development. A child born today in Singapore will be 88% as productive when she grows up. I have no doubt that this percentage is contributed in part because of our successful housing policy. This is an encouraging statistic but more can be done to develop our children in stable and conducive housing environments that will allow them to be the best they can be.

From time to time, I come across cases involving single mothers, with their children in tow, asking for urgent housing assistance because they have consented to the division of matrimonial properties in divorce proceedings, which in my respectful view, does not adequately take care of the needs of their children —

Mr Speaker: Mr Murali, you have slightly over a minute left.

Mr Murali Pillai: Alright, Sir. I will just make this suggestion and I will go to my conclusion.

This presents a problem for HDB because as a matter of policy, it does not directly allocate homes to persons to be fair to all Singaporeans in the circumstances.

So, what I am suggesting, Sir, is for a system to be implemented, which allows HDB to provide inputs upstream during the divorce proceedings so that this can be taken into consideration by the Court to make a just and equitable decision with regard to the needs of the child.

I will now conclude, Sir.

I chose the second Motion over the first not because of any partisan politics but because I prefer the hard truths over soft lies. There is no point in making vainglorious promises without a way to deliver. There is no courage in forsaking the future for the present. These are the two fatal flaws of the first Motion.

The second Motion commits us to providing affordable housing to Singaporeans today in a way that bends the laws of the market to give the most to those who have the least. This is socialism in action. It also commits us to an ideal beyond the political – that all of us in this House owe a duty as much to the Singaporeans of tomorrow as those of today.

The second Motion asks a lot of us. It is by no means an easier choice but I believe it is the right one.

Mr Speaker: Mr Pritam Singh.

8.08 pm

Mr Pritam Singh: Thank you, Mr Speaker. Just a quick clarification for the hon Member Mr Murali Pillai on a point he made about legacy land costs in the 1960s.

Mr Murali Pillai shared a figure of \$40 billion, which he said he got from the HDB annual report. Can I just confirm which annual report is he referring to? Because at page 50 of the latest annual report, there is a reference to accumulated Government grants provided to HDB since its establishment in 1960 and that is \$42 billion. Is he referring to that figure? But that does not refer to land costs. I just want to understand

from Mr Murali Pillai – is that the figure he is referring to? Because my understanding is, it is not referring to land costs.

Mr Murali Pillai: I thank the hon Leader of the Opposition for the question. That was indeed what I was referring to. It was in relation to what the HDB had paid or committed to pay to the Government for the land that was used to build the HDB flats.

Mr Speaker: Mr Pritam Singh.

Mr Pritam Singh: Just to confirm the statement in the annual report. It refers to the annual deficit in HDB. HDB's annual deficit is fully covered by a Government grant. In addition, HDB receives a Government grant to preserve the capital gains attributable to past governments on disposal of the protected assets in accordance with the Constitution. The cumulative Government grants to HDB since its establishment in 1960 amounted to \$42 billion.

So, I am not sure whether the land cost is specifically \$40 billion, as stated by the Member.

Mr Speaker: Mr Murali Pillai.

Mr Murali Pillai: Much obliged, Sir. Let me just say this. I took it as the grants being the equivalent to the land cost. I am happy to check this and if indeed my learned friend's point is correct, which is that there should not be a correlation, I will make the necessary clarification. I thank him for drawing the matter to my attention.

Mr Speaker: Ms Hazel Poa.

Ms Hazel Poa (Non-Constituency Member): I would like to make a clarification because there were two Members – apart from Mr Murali Pillai, I believe Miss Cheryl Chan, earlier, also had the same misunderstanding.

In my speech, I mentioned the building rates in the 1980s. I am not suggesting that we build the same number of flats as we did in the 1980s. What I did is to use that as an illustration of what is possible, not that we should build exactly the same number.

As to how many should be built, I think that will require a lot more information than I have available on what is the current backlog. But I do want to make the point that considering that the number of resident marriages every year is 24,000 to 26,000 and new citizen numbers are about 20,000 a year, the supply of 20,000 units a year averaged over 2021 to 2025 does appear inadequate.

Secondly —

Mr Speaker: Ms Hazel Poa, this is not an opportunity for another speech, just for quick clarifications.

Ms Hazel Poa: I am responding to what other Members have said.

Mr Speaker: Keep it concise. Thank you.

Ms Hazel Poa: Okay. Just now, Miss Cheryl Chan also made the point that if we increased the supply of flats, how that will impact the resale prices and whether people will still be able to sell their resale flats to fund their retirement needs. Can I clarify in effect what she is saying is that we are controlling the supply of new flats in order to keep up the prices in the resale market? Can I confirm whether that is the Government's approach?

Mr Speaker: Miss Cheryl Chan.

Miss Cheryl Chan Wei Ling: Thank you, Mr Speaker. Let me clarify the context of my question just now.

I think I was quite specific in that I said given the fact that we have an ageing population and also a lower total fertility rate, if we were to continue building the supply in the same volume which Ms Hazel Poa referred to 40 years ago – I cannot remember the exact number, but it was like building 189,000 flats – if we continue in those large volumes, my question was how would we actually be able to ensure that the resale flat prices can continue to keep up if you indefinitely build this kind of volume? Because the fact is that when you have a shrinking population, we may or may not even have buyers for these future owners of such BTO flats. That was my comment.

Mr Speaker: Mr Xie Yao Quan.

8.13 pm

Mr Xie Yao Quan (Jurong): Mr Speaker, Sir, many Members like me would have received multiple appeals on housing in the past months. The residents appealing are likely couples about to get married or couples already married and looking to start a family or, indeed, couples with a child.

Their appeals are likely along these lines. They are already in their 30s. By the time they move into a BTO flat four to five years later, they would be in their mid- or late-30s. Yet, resale is not an option because prices have shot up.

Therefore, their appeal is either to please help them get a good number in the upcoming BTO exercise because they simply cannot afford to lose more time in trying again in a subsequent exercise or, more starkly, the second type of appeal, please help them get a Sale of Balance Flat (SBF) because they need a unit available immediately.

I have also had parents reaching out to me on behalf of their children. So, it is not only young couples who are concerned, but also their parents who have themselves gone through their housing journey with the nation, raised their children in HDB homes and are now watching to see if their children will also benefit from our housing policies the same way that they have.

Top of mind for these Singaporeans, I think, is housing accessibility – as in whether I can get a flat and get it fast, in time for my life plans. Then, there is the issue of affordability – whether I can pay for the flat.

Accessibility and affordability – two operative words in the Motions before this House. The two issues are linked. They feed into each other and I will speak on both. But let me speak first on accessibility as it is more top of mind for Singaporeans.

Sir, there are Singaporeans struggling to get a balance flat, essentially flats with zero wait time, immediately available. And there does not seem to be enough of these. And then, there are Singaporeans who are getting BTOs, but rueing the four- to five-year wait time to collect keys.

Taken together, they point to a general conclusion, that perhaps, we should have many more BTO units with much shorter wait times in our system.

To be fair, the Government had already rolled out BTO flats with shorter wait times before COVID-19 and even after COVID-19 made construction delays the dominant issue, never mind building ahead of demand. By the BTO exercise in November 2021, HDB was able to resume the launch of flats with shorter wait times. Indeed, in the November 2021 exercise alone, there were more than 2,000 4- and 5-room BTO units, or almost 20% of all 4- and 5-room units launched across 2021, with shorter wait times of around three-and-a-half years.

Then, last year, in 2022, HDB launched almost 5,000 4- and 5-room BTO units, more than double the number in 2021, with shorter wait times of 3.8 years or less. These units made up almost 30% of all 4- and 5-room BTO units launched in 2022. And the shortest wait time amongst these was two-and-a-half years, with 1,300 units available.

So, a sharp ramp-up in BTO units with Shorter Wait Times, and I would add, quite a remarkable ramp-up too, a decisive ramp-up, straight out of the gates of COVID-19 disruption.

I would note too, that a number of these projects drew first-timer application rates of only 1.5, 1.9, two times, for 4- and 5-room units – quite low, despite the wait times. And so, the market is telling us something about the latent demand for shorter wait times.

Nonetheless, I strongly believe that we can and should do more, in terms of providing many more flats with much shorter wait times, partly because our experience today is pointing to a real need for this solution, and partly because I believe that this is a case where demand for shorter wait times can be induced by the right amount of supply.

Flats with shorter wait times should become an anchor product, a staple, in our future BTO launch inventory. They should make up a larger portion of our annual supply. This would certainly be useful for first-timer couples who are marrying later in life, or those who are already married but looking to settle in their own "nest" before starting a family and certainly for those already with a child.

Building more flats ahead of demand would increase the risk of over-supply. Yet, this risk, I think, is well manageable.

To be clear, my suggestion will not solve the current supply crunch because it will take three or more years for the higher supply of shorter wait times to enter the market. And so, this is a suggestion for the longer term, given our experience today, in order to reduce the likelihood and the effects of a repeat experience in future.

For the current supply crunch, we simply have to launch more, which the Government is already doing, and to build fast, while maintaining standards and give home owners their keys as soon as possible.

Besides wait time, there is one more aspect to accessibility, which is the success rate at BTO exercises. Success rate – getting a number to choose a flat. On this, there are anecdotal accounts of difficulties with the ballot, but let us look at the overall system objectively.

In 2022, more than 9,000, or almost 60% of all 4- and 5-room BTO units launched had first-timer application rates of three times or lower across nine different projects. The average first-timer application rate across these units was 1.85, under two. So, very good chances really for first-timers to secure one of these 4- or 5-room BTO units.

Yet, these units drew only 28% of all first-timer applications for 4- or 5-room units. Where did the rest of the applications go? Let us look at the most popular flat types in 2022 – 4-room in Geylang, first-timer application rate of 20.5%; 5-room in Tampines, in August, 18.5%; and 4-room in Tampines, the same project, 17.2%. Together, these account for only 3% of 4- and 5-room BTO units launched, but they attracted 16% of all first-timer applications for the whole of 2022. So, 3% of units drawing 16% of applications on one hand versus 60% of units, drawing only 28% of applications.

And so, the perception of low chances in BTO exercises is really driven by the concentration of applications in a small number of projects. Whereas for the many other projects available, applicants do stand good chances, on average.

Indeed, as the Minister and HDB have said, virtually, all first-timer families who apply for BTO flats in non-mature estates succeed within three tries.

So, on the count of balloting for BTO flats, our overall system is, in fact, doing well, producing outcomes and we should give recognition when it is due.

Sir, I have spoken at length about BTO accessibility. And the Motion standing in the names of Mr Leong Mun Wai and Ms Hazel Poa clearly states that "This House calls upon the Government to review its public housing policies in order to deliver affordable and accessible HDB flats to all Singaporeans" – affordable and accessible flats to all Singaporeans.

I heard Mr Leong Mun Wai's suggestion about the Affordable Homes Scheme. Never mind the mechanism. Basically, deferring of a major cost component, vastly cheaper flats. And going by the language in his Motion, I assume that he means for these affordable homes to be accessible to all Singaporeans.

I would like to ask Mr Leong if this is indeed the case – supply of these vastly cheaper flats to all Singaporeans. What does he think will happen to the resale market? And does he not agree that he seriously risks crashing the resale market instead of keeping it buoyant, as he has claimed? How can he expect to keep the resale market buoyant with such a shock?

On the other hand, for those first-timers who, for whatever reason, have to buy a resale flat, they will have to pay full market value by his proposal because the seller has to pay back the deferred price component to HDB. And so, what happens to equitable access for all first-timers? Can Mr Leong Mun Wai shed some light on this?

To the Workers' Party, I think in their Facebook post, they had highlighted anxieties over one's chances in BTO applications, especially for mature estates. I think we can recognise these anxieties. But what would be the Workers' Party's position on addressing this issue of one's chances for a mature estate BTO? Because the reality is that there is no easy solution. And so, would the Workers' Party be prepared or be minded to acknowledge this reality to Singaporeans?

Sir, let me move on to affordability. And I will start with this premise. Over the last two years, the Workers' Party has put forth in this House the proposition that Singaporeans' housing needs are becoming more diverse and hence, we should have more diverse housing options. For instance, more rental, less ownership – more options for more diverse housing needs.

I have a somewhat different outlook. I say that home ownership remains the dominant housing need of Singaporeans, an aspiration of Singaporeans. However, I think our needs, other than housing, have become more diverse. And so, our housing strategy should keep up with that. Housing affordability must keep up with that.

How do we keep flats affordable, such that Singaporeans, while owning their homes, also have enough to build and live the good life in other diverse areas and fulfil increasingly diverse needs? This is the nub of the affordability issue, in my view. What is an affordable home in this context?

And I think it starts with a cap on BTO prices. In the August 2022 BTO exercise, there was much public interest in Ang Mo Kio Central Weave, where 4-room units started at \$535,000 and 5-room units at \$720,000, before grants. Compare these with prices under the Prime Location Public Housing (PLH) model. In the same BTO exercise, the PLH project in Kallang Whampoa has 4-room units starting at \$509,000. So, the PLH model lowered prices with higher subsidies to the extent that these prices were lower than the prices at the non-PLH Ang Mo Kio Central Weave.

I believe we should keep any 4-room BTO flat within reach of a Singaporean family at median income. In my mind, this means keeping the price of a 4-room BTO to five times of median income, or just under \$500,000, before grants. A 4-room unit at Ang Mo Kio Central Weave, in my view, should have been capped at \$500,000, and not starting from \$530,000.

Similarly, I believe we should keep any 5-room BTO flat within reach of the 60th income percentile. Again, at a home price to income ratio of five, this works out to \$650,000. And so, my suggestion is to cap the price of a 5-room BTO to \$650,000, before grants.

The Government's approach has been to supply the same flat type in different locations at different price points for different budgets. This is a sound approach, but what I am suggesting is to further calibrate this and to cap the upper end, based on five times current income benchmarks.

This would serve as a strong psychological marker, but there is also a very important philosophical point here.

A price cap would ensure that any project, in any location, will still be within reach of a broad segment of Singaporeans and ensure that any project, in any location, will have an inclusive mix of Singaporeans living there.

How might we do this? In the first instance, I suggest we expand the PLH model. Apply higher subsidies to more projects like Ang Mo Kio Central Weave, push down the BTO launch prices to be within reach of most Singaporeans, but attach the longer Minimum Occupation Period (MOP) of 10 years, and the subsidy recovery of 6% at point of resale. So, one option, expand the PLH model to more projects.

But we should go even further. I say, let us extend the PLH model into a more flexible, more finely tiered system of MOPs and subsidy recovery rates. Let me explain.

Basically, the "basic" level of subsidies, five-year MOP, zero subsidy recovery on one end; and PLH-level subsidies, 10-year MOP, 6% subsidy recovery on the other end. But in between, we could have a subsidy tier, with six-year MOP and 2% recovery, another higher subsidy tier, seven-year MOP, 3% recovery and so on.

This tiered system would allow the Government to flex the amount of additional subsidies to apply to various projects. We need that flexibility in our system of public housing subsidies, going forward.

It is a bit like we now have S-size and XL-size subsidies. It is time to add the M- and L-sizes in between so that, ultimately, we keep all BTO projects within reach of target segments and, at the same time, effectively mitigate the windfall effects for different projects to varying degrees.

Sir, on affordability. Just two points. I note that in the Workers' Party manifesto in 2020, they said, and I quote, "HDB BTO selling prices in non-mature estates should be pegged to household incomes and prices should be based on a 20-year mortgage, 10% downpayment and monthly repayments of a maximum of 25% of the median monthly household income."

I did a back-of-the-envelope calculation. If my calculations are right, it comes up to about \$380,000 at current income levels. And the Minister has already given statistics just now, showing that our non-mature estate BTO average price currently at \$340,000. So, it seems like our non-mature estate BTOs are affordable by the Workers' Party's own definition of affordability.

And yet, I think in one of the Workers' Party Member's speech just now, it was premised entirely on the notion that HDB prices are high. So, can I ask for some clarifications? Are HDB prices high or are they affordable, going by what the Workers' Party themselves have said?

And to Ms Hazel Poa, she mentioned that everybody is paying for their HDB flats in some way. I absolutely agree and the Minister himself has said so.

The point is, if HDB does not pay for the land cost, according to their proposal and put back this land cost into the reserves, then what is really happening is that future generations are paying for our current generation's flats. It is as simple as that. And as Ms Hazel Poa, herself said, "羊毛毕竟出在羊身上". Sir, in Mandarin, please.

(In Mandarin): [Please refer to [Vernacular Speech](#).] Over the past two years, many residents have shared with me their concerns about housing and buying an HDB flat. Not only young residents but also their parents have worries. Rising resale prices and tight supply of BTOs are the personal experience of many residents. I can understand their concerns.

Are the BTO flats still affordable and accessible? Looking at the figures for first-timers in 2022, 60% or 9,000 units of the 4-room and 5-room flats launched last year did not exceed the application rate of three, which means that first-timers stand a good chance of success in applying for a 4-room or 5-room flat. However, many first-timers still choose popular projects, adding to the crunch.

But objectively speaking, BTO flats have not become out of reach. They are still accessible. Of course, the accessibility of HDB flats also involves waiting time. In this respect, due to the delay caused by the pandemic, waiting time is indeed quite long with the current median of 4.3 years. The Government has introduced a shorter waiting time of 2.5 to 3.8 years in November 2021. I think we can do better.

I would like to suggest that the Government provide more BTO flats with a shorter waiting time to prevent the history of tight supplies from repeating itself.

(In English): Sir, let me conclude. No system is perfect and no system should stay static. We must continue to evolve our public housing system and evolve our social compact with Singaporeans on housing.

But as it is, we have had in Singapore a heck of a public housing system and a heck of a social compact with Singaporeans on housing, that have produced a heck of a set of outcomes to date.

It started with an audacious goal to move citizens of a new nation into flats, and since then, the system has added new pillars. Every evolution henceforth will only become more complex, to an already complex system. There is no easy solution.

But we have today a great system as a strong basis for further action.

Minister Desmond Lee has said, that public housing in Singapore is social policy. I fully agree. It is not just about buildings. A flat is a home, an anchor in our lives, a stake in Singapore. And so, beyond the ballot, I believe still, that a BTO home remains a promise by Singapore, to Singaporeans, a bedrock in our social compact.

So, HDB – the Housing and Development Board – might as well also be the "Hopes and Dreams Board" – HDB. Because HDB's purpose is to build Homes, build Dreams, build a Nation, not just brick-and-mortar flats. Have we lost our way in this regard? Have we lost the plot? I do not think so.

And so, I stand in full support of the Motion, standing in the name of the Minister for National Development and affirm the long-standing and continued commitment of the Government to our public housing objectives.

Mr Speaker: Mr Murali Pillai.

8.33 pm

Mr Murali Pillai: Mr Speaker, Sir, thank you for allowing me to clarify a point raised by the hon Leader of the Opposition. I have checked and I just want to clarify that the land cost together with construction costs, make up total development cost of BTO projects. HDB's proceeds from BTO sales cannot fully recover this development cost, MOF grants are being given to HDB to make up for this deficit. The

\$40 billion which I referred to is a cumulative deficit since HDB's formation in 1960 and that would comprise some payments for land, but not entirely. I thank the Leader of the Opposition for pointing this out.

Mr Speaker: Mr Vikram Nair.

8.34 pm

Mr Vikram Nair (Sembawang): Mr Speaker, I support the Motion in the name of Minister Desmond Lee. The last few years, particularly with COVID-19, have presented HDB with some unprecedented challenges. One of the main issues faced by my residents in recent times, is not so much the affordability, but rather, the availability of BTO flats. People who want BTO flats are unable to get them and there is a long list of people applying for one, including new couples, first-timers, divorced couples looking for new homes, singles and older couples looking to downsize. Each has their own unique needs and stories and I have appealed for many of these residents.

Most people I have appealed for pointed out that the big differences in prices between HDB BTOs and resale flats are the prime reason they wanted BTOs rather than going to the resale market. Against this backdrop, I have some serious concerns with the proposal put forward by Mr Leong Mun Wai and the Progress Singapore Party (PSP). Mr Leong proposes pricing flats based on two components. First, construction costs and a notional premium based on location. Second, at the time anyone chooses to sell, they will pay the full cost of the land. He acknowledges the cost of the land will be the higher component, so the price they pay for land will be more than the price of the flat. The breakdown he used was for a \$350,000 flat, \$140,000 would be the price for the flat at the time of purchase and \$210,000 may be the payment made for the land at the time of sale. The Workers' Party's Mr Jamus Lim, also seems to agree with this proposal to separate the land charges from the building costs and to pass on the land charges at the time of sale.

There are some important implications from the PSP's proposals. Currently, BTO flats are not priced according to their cost. They are instead priced based on a variety of factors linked to affordability, including ratio of income to price, mortgage serviceability and location, as the Minister had explained. The median household, according to the Minister, would be able to afford 80% of available flats. Land cost is not currently passed on to buyers, but rather it is taken into account in HDB's books when HDB uses land from our land reserves. So, HDB is paying for the land cost, not the buyers of flats. So, the cost is currently not being passed on to the buyers directly and the current subsidy that buyers get is actually the difference between the actual cost of building the flat, which is the building cost and the land cost, against the price they actually pay.

Under Mr Leong's proposal, the upshot is that for everyone who chooses to sell their flats, they will now be required to pay land cost, something they were not previously required to, which will be a huge lump sum payment at the time of sale. I think it is common ground, then, that most people will end up paying more for their flat at the time they sell than they currently do.

So, for everyone who sells their flats, which is the majority of Singaporeans, they will pay more under Mr Leong's proposal than under the current scheme. Additionally, the way in which the flat is priced may create severe market distortions at different points in time. At the time they are launched, the flats will appear very cheap because they are launched only at the cost of construction. So, if prime area flats are not priced significantly more than other areas, then the lottery effect there would be even greater because everybody wants a prime area flat and those who get the windfall, those who succeed in getting the prime area flat will feel very happy and those who lose out will be resentful.

I believe this would simply exacerbate the current BTO problems. Already, at current BTO prices, even non-mature estate flats are severely oversubscribed. With an initial sticker price that is even lower than the current price, the queue is probably going to explode. I mean, who would not want a flat at that price?

For those people who win the lottery to buy the flats, however, if for some reason they decide to sell their flats, they will then realise there is a huge bill to pay in terms of land costs. People may need to sell their flats for any number of reasons, including changing family or financial circumstances. However, it is, at that point, they will be stabbed with a huge sticker price which will be more than the price they actually paid for the flat. If families do not have several hundred thousand dollars in cash readily available, they will not be able to sell their flats. Thus, even if a couple is divorcing or the family size gets smaller, say with children moving out, or bigger, or say, with children arriving or parents moving in, families will not be able to sell if they cannot stump up a large amount of cash.

Ms Hazel Poa talked about the ills of Government subsidies for public housing. This was a criticism of the current scheme where HDB provides a house below the price of building it and has to make up for this deficit from the current Budget every year. She is correct that all of us, all Singaporeans are subsidising the buyers of new HDB flats and this is one of the many matters discussed in our Budget debate. The current deficits are fully budgeted and paid for each year.

Under PSP's proposal, though, the initial Government subsidy will be even higher. The cost of building the flat and the cost of land do not change. The cost of land and cost of building will still be the same. The only difference is the initial income from selling the flats would be less. So, this means the initial Government deficit will be very significant when the scheme is launched, which means we will need more taxes to fund it.

Subsequently, if and when people sell flats, the Government may get money in fits and starts, but this will be more difficult to properly budget for because we do not know how many people will sell and how much will be earned from this and it will be difficult to predict and plan spending on the basis of income at the time people sell flats. So, while Mr Leong talks about the importance of affordable and available housing, at the same time, he talks about wanting an exuberant or vibrant resale market for those who want to sell their flats.

Clearly, if you are being honest, there is a tension between affordability and an exuberant resale market. If the resale market is very exuberant, prices would be high. And this is what people who want to sell would want, but this is not what buyers would want. In fact, many of the buyers at those prices would be unhappy if they see others getting windfalls based on the lottery at the BTO, which will only be exaggerated if we follow Mr Leong's proposal of the low initial sticker price. The truth is that the effect of PSP's proposal on the resale market is uncertain.

I believe, the real reason for the spike in resale prices now is the limited supply relative to demand. If people who buy flats become unable to sell because of the imprisoning effect of a land cost upon sale, then resale prices are likely to spike as the only supply will be those who own older flats not subject to the scheme. The new flats will have more difficulty coming into the resale market to bring prices down. This will exaggerate the already divergent market between resale flats and BTOs.

Ultimately, I believe this proposal proposed by the PSP and supported by Assoc Prof Jamus Lim, would have even more distorting effects on the market, adding to the long queues at BTO launches and saddling all of them with a massive fee when they want to sell, which means they actually pay more than current flat owners. This would also restrict the additional supply and the resale market leaving prices to spike further in the short-term, which is where we face problems.

The PSP also proposes a rental housing scheme with rental houses in prime areas for people who want them. He appears to be targeting the millennials. While I have no objections to the expansion of a rental scheme, ultimately, this has to be compared to other priorities. HDB has a limited supply of flats every year and with expanded supplies, the demand at these prices is much higher than the available supply. I therefore believe HDB should continue to prioritise building flats for those who need BTOs first. And in the event we reach a stage where the demand for BTO flats is adequately abated, we can then consider other priorities such as public housing. I think the priority for rental housing should still be families in financial difficulty who cannot afford to buy flats.

Related to this, Assoc Prof Jamus Lim also made the argument that the Government should encourage more people to rent rather than own flats, and that this too should be provided by the public sector. I respectfully disagree. Flat ownership gives every Singaporean a stake in Singapore and its success. If Singapore enjoys economic growth over a long period of time, homeowners will see home prices rise. By allowing every Singaporean easy access to buy at least one subsidised flat in their life, every Singaporean is assured of some upside in the course of their life, as long as they own a flat and Singapore continues to do well.

If one bought a BTO flat and lived in it for five to 10 years and later decided they wanted to move to a different place later, they would at least have enjoyed some upside and have some additional cash when they sell, if they want to move to a new place, assuming Singapore has done well and the resale prices have gone up. On the other hand, if they rented for 10 years, in those 10 years, they would have paid their landlord, perhaps helping their landlord pay their mortgage, while at the same time losing their own opportunity to enjoy the upside from property appreciation at that time.

Currently, the fact that Singaporeans are able to get onto the property ownership ladder allows all of them to enjoy and benefit from Singapore's economic growth. I believe home ownership is a worthwhile aspiration for our Government to support and making us a nation of home renters is not a good substitute.

Against this backdrop, the flat price Bala's Curve that Assoc Prof Jamus Lim distributed is not an accurate description of how flat prices actually behave in the secondary market. The reality is that because of Singapore's economic growth over the decades, even flats bought in the 1970s, 1980s and 1990s are selling at well above the prices they were bought for. They did not fall in a straight line based on their lease. Also, because HDB flats are sold at a subsidised price, most homeowners will continue to enjoy an upside if they sell their BTO flats in their lifetime. Alternatively, if they do not wish to sell it, they can pass it on to their children.

Does this mean prices will rise forever? Probably not. It is likely that towards the end of a flat's lease, likely the last 30 years or so, prices will trend downwards. Is it unfair that prices do not rise forever and eventually come down? I believe not. By the time flats get to this stage, it is likely the original owners and several others would have bought and sold it over the years. For those who have not sold their flats but rather lived in the flats, they would have enjoyed living there for more than 60 years or around two generations. This is a long time to enjoy your home.

Those who buy closer to the end of the lease will be able to negotiate a lower price for it. We can see this in the private property market where several private properties are reaching the end of their lives. While we talk about \$1 million public housing, there are also landed properties available for less than \$1 million. There are landed houses in Jalan Chempaka Kuning selling for less than \$1 million at the moment. The reason is that they have a remaining lease of less than 12 years, yet even these houses have a ready market and transactions are taking place. There are people who would like a larger house and are prepared to accept a shorter lease in exchange for a lower price.

In the long term, as HDB flats cross the 60-year mark, for example, some would have values drop. But in my view, this would create more options for the secondary housing in the resale market. Currently, if people want shorter-lease flats, the only options are 2-room flats for seniors. In the coming years, we may have a resale market with cheaper flats on shorter leases for those who prefer larger houses for a shorter period of time.

I see many examples of this at my Meet-the-People Sessions (MPS). There are families with teenage children who want a larger flat while their children are teens or who have parents moving in. They need it for immediate purposes, but in the longer term, say when seniors pass on or when children grow up, they may want the flexibility to change their housing arrangements.

I believe a housing market that has flats of all sizes at different price points will, ultimately, give all people more options to find a flat that suits their needs in the secondary market. This will reduce the crunch on the BTO market. The HDB market is, currently, an anomalous situation because of the slowdown in building that occurred over the last two years. I also believe that the spike in demand has been contributed to by the big difference between the HDB resale market and the BTO market. Every buyer would like to buy on the BTO market, and so, they try their luck in the ballot as long as they qualify. The only ones to buy in the resale market are those who have the means and who need a flat urgently.

This brings me to a suggestion I had previously made. I think we should take off at least one of the property cooling measures for the resale market that I believe may be driving prices up instead, namely, the Minimum Occupation Period (MOP) for resale flats.

The MOP is a fair measure for those who obtained subsidised BTO flats or obtained subsidies for purchasing resale flats. I do not think it is necessary for those who bought resale flats at fair market value. I believe the unintended consequence of this measure is that the supply of resale flats is restricted, because every transaction results in a resale flat being taken off the market for five years.

I think it is still fair to retain the Seller's Stamp Duties to prevent pure speculation, but without the MOP, which prevents the sale altogether. I believe that if resale prices moderate such that buying a flat in the resale market is comparable to the price of a BTO flat once resale subsidies are priced in, the long queue for BTO flats would ameliorate.

Notwithstanding my suggestions though, I support Minister Desmond Lee's Motion wholeheartedly. I think HDB has done a wonderful job of providing affordable housing for Singaporeans for many generations.

The last three years of COVID-19 slowed down flat construction and skewed the queue and waiting time for BTOs. I support the plans to expand and catch up on the building of flats and hope that this will help to ameliorate the real pain point at the moment, which is the supply crunch of BTO flats. I do not think we can, or should, break the system as suggested by the Progress Singapore Party and the Workers' Party.

Mr Speaker: Deputy Leader.

ADJOURNMENT OF DEBATE

8.48 pm

The Deputy Leader of the House (Mr Zaqy Mohamad): Mr Speaker, I beg to move that, "That the debate be now adjourned."

Resolved, "That the debate be now adjourned." – [Mr Zaqy Mohamad].

Mr Speaker: Resumption of debate, what day?

Mr Zaqy Mohamad: Tomorrow, Sir.

Mr Speaker: So be it. By resolution of Parliament for the two Motions to be debated together, the debate on Mr Leong's Motion, item 3 on the Order Paper, will also be adjourned till tomorrow.

ADJOURNMENT

Resolved, "That at its rising today, Parliament do stand adjourned to 1.30 pm tomorrow." – [Mr Zaqy Mohamad].

ADJOURNMENT MOTION

The Deputy Leader of the House (Mr Zaqy Mohamad): Mr Speaker, Sir, I beg to move, "That Parliament do now adjourn."

Question proposed.

STRENGTHENING MENTAL WELLNESS AT THE WORKPLACE

8.48 pm

Mr Edward Chia Bing Hui (Holland-Bukit Timah): Mr Speaker, Sir, the COVID-19 pandemic underscored the fragility and importance of mental wellness at the workplace. Workplace stressors, such as increased work demands, evolving work processes and blurred work-life boundaries became more pronounced. When not adequately managed, we witnessed how these work stressors eroded employee productivity and motivation, and negatively affected workplace mental wellness.

It can be said that the pandemic marked a watershed moment in our fight for better workplace mental wellness. The pandemic revealed cracks in our workplaces and gave employers the impetus to build organisational resilience. It is heartening that there are some employers in both the public and private sectors who have heeded the call to improve workplace mental wellness. Employers want to do more. Let us build on this momentum to support employers.

As of 2021, only about 47% of Singapore employers provide mental wellness benefits, compared to over 80% in the US. According to reports, this lower level of employer engagement is a result of cost constraints, lack of awareness of mental wellness resources and scepticism about the returns of workplace mental wellness interventions.

To enable our employers to overcome these barriers, I believe that the Government can step up its efforts to increase the awareness of mental health resources and support employers in implementing better workplace mental health policies and practices, especially for small- and medium-sized enterprises (SMEs).

First, I will lay out the economic case for better workplace mental wellness. According to the Mental Health Toolkit for Employers published by the National Council of Social Services (NCSS), every \$1 invested in workplace adjustments generates an average return of \$5.60, reduces average annual medical expenses by 13.3% and increases the average yearly income per person by 6.5%. Retraining and hiring costs are also reduced, which averages to about \$3,650 per employee in Singapore.

These benefits were echoed by many business leaders at the CNA Leadership Summit 2022, who underscored tangible returns like increased productivity and higher employee retention after investing in mental well-being interventions.

Making an economic case for mental wellness at the workplace is crucial when seeking support from investors, shareholders and Government agencies, especially when it comes to financing mental health support. Hence, equipping employers with tools to measure outcomes of mental wellness investments, benchmarking with industry standards and recognition in the form of awards will help employers seek buy-in and support from stakeholders.

In this regard, I would like to ask that the National Volunteer and Philanthropy Centre (NVPC) include this important area in their new framework around Corporate Purpose for the recently-launched new Company of Good programme. A Company of Good in Singapore must take care of their people in the workplace. So, when NVPC recognises them with this award, this can create positive ripple effects for corporate action on their priorities.

Upon establishing the case for workplace mental wellness intervention, the natural question that follows is: how should we go about taking action? In the following part of my speech, I will lay out a roadmap for implementing workplace mental wellness interventions.

Before I proceed further, I would like to extend my heartfelt thanks to members of the Young People's Action Party (YP) and the National University of Singapore (NUS) Health and Well-being team for their contributions to the following recommendations.

The first step in any organisation's mental wellness journey is to assess the state of their employees' mental health regularly. This can be achieved using a workplace mental health assessment tool. I must stress that the confidentiality of the results from each employee's mental health assessment should be upheld at all costs. Employers should only receive an aggregated set of results to identify workplace stressors and track changes in overall workplace mental wellness over time.

At present, employers can utilise the iWorkHealth tool, an online, self-administered psychosocial health assessment tool for companies and their employees. It was developed by the Ministry of Manpower (MOM)'s Workplace Safety and Health (WSH) Institute, in partnership with the WSH Council, Institute of Mental Health (IMH), Changi General Hospital (CGH) and Health Promotion Board (HPB).

The tool provides employees with a survey questionnaire that covers stress-related factors in the workplace including job demands, job control, job recognition, organisation culture and relationships with supervisors and co-workers. Upon completing this survey, employers will receive an aggregated anonymised department and company report identifying key workplace stressors, extent of workplace stress and the overall state of the mental well-being of their employees. Participating employees will receive individual reports on their mental well-being scores and workplace stressors.

To illustrate the usefulness of workplace mental health assessments, I would like to share a real-life case study that came up in my conversation with an employer. After completing the assessment, the employer received aggregated data that showed that teams with higher manager-to-staff ratios had higher stresses and anxiety levels compared to teams with lower manager-to-staff ratios. With this information, the employer inferred that managers who have larger teams had fewer opportunities to check in with their staff and offer mentorship and support. This might have translated into higher levels of stress and anxiety among their staff.

To address this issue, the employer proceeded to transition into a more hierarchical organisational structure that allowed for the formation of smaller teams, according to more clearly delineated management levels and job scopes. With lower manager-to-staff ratios, this allowed for more intra-team engagement. In the next round of workplace mental health assessment, the employer noted lower workplace stress and anxiety levels, suggesting the positive effects of the restructuring exercise. This case study highlights the value of the data gathered from workplace mental health assessments. As illustrated, the data can direct recalibration of company policies and structures and concretely improve workplace mental wellness.

At this point, I would like to ask the Minister for Manpower for an update on the iWorkHealth tool since its implementation. What is the present take-up rate of the iWorkHealth tool among organisations and what adoption targets have MOM laid out? With the Government being the largest employer in Singapore, what percentage of Government Ministries and Statutory Boards have adopted the iWorkhealth tool? Additionally, what other plans does the Ministry have to enhance the effectiveness and capabilities of the tool?

To further signal the importance of workplace mental wellness assessments, I propose that Enterprise SG grants, such as the Enterprise Development Grant and the Productivity Solutions Grant, include a survey on employees' well-being before and after the implementation of a project to measure potential improvement of employees' wellness, in addition to employees' value-added gains. This will ensure that any company transformation takes into account the human wellness element to ensure better sustainability of outcomes. This also signals to employers the importance of well-being and that, in turn, goes hand-in-hand with any transformation.

We will also need to incentivise and recognise employers. I propose that one way to incentivise adoption can be to acknowledge companies who have integrated it into their workflow at the Annual Occupational Safety and Health (OSH) awards hosted by the Ministry of Manpower (MOM).

As a proactive intervention, the workplace mental health assessment aligns with the wider Healthier SG strategy of preventive healthcare. Proactive mental health interventions have been proven to generate a higher return on investments compared to reactive mental health interventions. A 2021 survey by Deloitte among UK companies revealed that the highest rate of returns from employer mental health interventions came from screening, with a return of £6.3 for every £1 invested. Other proactive mental health interventions, like awareness training and managers' training, also generated high returns of £5.3 and £6 respectively for every £1 invested.

In contrast, reactive mental health interventions, like workplace counselling for employees generated lower returns of £3.1 for every £1 invested. In the spirit of a whole-of-Government approach to preventive healthcare, may I also clarify if MOM has shared aggregated data gathered from the iWorkHealth tool with other Government agencies, so that they too can recalibrate policies to better respond to emerging trends from the workplace?

Upon assessing the mental health of employees and identifying workplace stressors, the next step is for employers to develop a strategy to support employees' mental well-being. It is important for employers to go beyond a single programme to combat workplace mental health issues, since the positive effects of these initiatives are often limited to the objectives of that programme. Instead, a workplace mental health integrated strategy can synchronise efforts across the organisation. This results in a more unified, holistic, structured and sustainable approach towards improving workplace mental health.

An example of a comprehensive and pioneering workplace mental health strategy that other organisations can take inspiration from is the WellNUS Workplace Mental Health Framework, designed by the Health and Well-being team at NUS.

The WellNUS Workplace Mental Health Framework systematically maps out the different parts of an employee's well-being journey and identifies the key relevant initiatives and key stakeholders to provide support. The framework aims to support employees at every stage along the mental health spectrum from well states to states that may benefit from intervention and to recovery and back-to-work transition stages.

Presently, the WSH Council has launched a playbook on workplace mental well-being. It provides employers with a guide on how to devise their own workplace mental wellness strategy by breaking it down into outcomes, targets and how-tos. However, there is room for it to be more robust, by considering mental well-being along a spectrum and proposing interventions that target different states of mental health.

In addition, interventions that can be undertaken by different levels of staff, senior leaders, human resources (HR), Occupational Safety and Health (OSH) and so on, and of different natures – culture and strategy, systems, infrastructure, support services and resources – should be included as well. I would like to propose that MOM continue enhancing this guide, so that employers can better apply it when formulating their workplace mental wellness strategy, along with regular mental wellness assessments.

Once a mental wellness strategy has been devised, interventions can then be implemented. But the question that follows is – who will be tasked to put these interventions into place?

While establishing a health and wellness team might not always be a viable solution for SMEs with leaner teams and tighter wellness budgets, a cost-effective alternative can be to broaden the job scope of current HR managers, teams or other relevant managers to include workplace mental well-being.

Incorporating well-being interventions into HR systems signals that mental health is not a tangential concern but an organisational priority. Such a reframing of mental wellness in the workplace is necessary for real change to happen.

I must emphasise that reconceptualising the role of HR is not meant to increase the workload of our already saturated HR managers. Instead, it is to bring our HR systems up to speed with the growing needs of our workforce.

Hence, it would be helpful to arrive at a collective definition of the additional skillsets required of HR teams or relevant personnel to support workplace mental well-being.

Based on our consultations with existing well-being managers, these skillsets include knowledge in organisational psychology, corporate policy development and designing evidence-based health and well-being corporate programmes.

Given the specificity and interdisciplinary nature of skillsets required to support workplace mental well-being, there is a shortage of people who can fill these positions and we need to do more to bridge this skills gap.

Before I proceed with my recommendations on bridging the skills gap, I acknowledge that not all companies have the capacity to upskill their HR managers or incorporate new responsibilities into their job scopes. This might be more prevalent in micro enterprises.

In such cases, can we think of outsourcing this work to a central intermediary so that more similarly sized companies can lean on it? For larger SMEs, would a tax incentive be enough to upskill relevant individuals in the company?

During the MOM Committee of Supply debate in 2022, I called for MOM to consider offering CHRO-as-a-service similar to IMDA's CTO-as-a-service. Such measures are necessary to bring all our SMEs up to speed rather than only those who can afford mental wellness interventions.

For companies that are willing and able to address the skills gap, I would like to call for SkillsFuture to push for new Continuing Education and Training (CET) courses. These courses can be introduced in a tiered fashion, with tier 1 being peer support training, directed at all employees and Tier 2 being managerial training, directed at those in leadership positions, with more extensive structural discussions on organisational structure and workplace culture.

During peer support training, employees can be trained to notice distress signals from colleagues, direct colleagues to the appropriate mental health services and resources and provide psychological first aid.

The NUS Health and Well-being team, for instance, has launched an NUS Peer Support System that provides a two-day training programme for peer supporters. After the training, NUS peer supporters meet quarterly to check in with one another.

They will also be given the opportunity to participate in elective modules to refresh and enhance their peer support skills. The goal is to have around 30% of the NUS workforce trained in peer support skills to have a critical mass to push for cultural change.

Managerial training should encompass peer support training in addition to other aspects that capitalise on managers' proximity and frequency of interactions with employees. Managerial training can include more in-depth discussions on organisational structure, shaping a mentally healthy workplace culture and cultivating stronger networks of connection between a manager and the staff.

After training, there should be regular check-ins and a framework as well so that there is follow-through for the training provided.

A notable example is the Young NTUC WSQ-certified training in peer-to-peer mental wellbeing support at workplaces. Learning circles comprising individuals who have completed the peer-to-peer training serve as a regular check-in and forum to share lived experiences and best practices at various workplaces.

A suggestion to expand on our call for managerial training is to create specific modules for SME business owners. Such modules take into account the unique context of SMEs and work closely with trade associations to curate the course content and co-delivery.

As it is often said, "it is lonely at the top." SME employers can feel isolated. Hence, working with trade associations on the co-delivery of such training programmes can also create organic opportunities where employers provide employer-peer support and check-ins.

Even with frameworks and training programmes, some employers and managers might still require more customised and sustained guidance when implementing mental wellness interventions.

One possible solution might be for Employee Assistance Programme (EAP) providers to go beyond counselling services and include consultancy services for employers and managers.

Consultancy resources are especially crucial for SMEs that might still be building up their health and well-being capabilities. Consultants will guide employers in making sense of the aggregated data derived from mental health assessments and work with employers to devise a workplace mental health strategy.

I propose that the Government offer funding packages to assist EAP providers in offering consultancy services.

To harness economies of scale and build depth of services, Government funding can be channelled to a smaller pool of organisations instead of being spread more thinly across multiple EAP providers. Focusing on a smaller pool of EAP providers who meet the required standards will also make it easier to ensure that consultancy and counselling services are delivered consistently, with quality.

Mr Speaker, Sir, over the course of the pandemic, we have witnessed the reframing of mental wellness in the workplace from a "nice-to-have" to a critical business imperative. The normalisation of workplace mental wellness struggles has catalysed a shift in company cultures and employers' perceptions surrounding mental well-being.

We are now presented with a golden opportunity which will determine the state of workplace mental wellness in the future. Hence, we need to be intentional in entrenching mental wellness as an organisational priority and sustaining growing wellness policies and programmes.

In this Motion, I have laid out six key processes to achieve these goals. Our employers can and want to take the lead in this pursuit.

Hence, I call on the Government to: (a) harmonise the existing resources in a one-stop shop for employers; (b) signal the importance of regular workplace well-being screening by scaling up the adoption of the iWorkHealth tool; (c) expand the Mental Health Framework for employers that systematically maps out the different parts of an employee's well-being journey and identifies the relevant initiatives and key stakeholders to provide support; (d) expand HR systems in-house or as a service to include skillsets that directly enhance workplace well-being; (e) scale up training programmes for employers and employees on peer support, organisational structure, workplace culture and regular check-ins; and (f) expand EAP services to include consultancy on workplace well-being transformation.

Mr Speaker, Sir, every employer and employee has the power to be a force for good and wellness. Let us walk this journey together and empower them.

Mr Speaker: Minister of State Ms Gan Siow Huang.

9.08 pm

The Minister of State for Manpower (Ms Gan Siow Huang): Mr Speaker, it is getting late and I am mindful of the mental wellness of our Members. So, I will be precise in the reply.

First of all, I thank the Member Edward Chia for his continued passion and interest in driving mental health and wellness at the workplace.

The Government has recently formed the Interagency Taskforce on Mental Health and Well-being, which is chaired by Senior Minister of State Janil Puthuchery. Within the taskforce, I lead a sub-group that looks specifically at improving employment and employability of persons with mental health conditions as well as strengthening support for mental well-being at the workplace.

We have just completed a series of public consultations on ideas that we are exploring. These include having trained mental health champions at the workplace, raising awareness and adoption of mental well-being resources available and reducing the stigma around mental health. We will take into consideration the Member's inputs as we put together recommendations.

I also thank the Member for laying out the economic case for better workplace mental wellness.

With the pandemic bringing mental health to the fore and the Government's support through several resources, many employers have started to put in place more measures to support their employees' mental well-being.

Based on MOM's survey on quality workplaces, the percentage of employers who have adopted two or more mental well-being initiatives has more than doubled from 16.1% in 2019 to 42.5% in 2021.

The Public Service Division has taken the lead by launching a suite of initiatives to better support our public officers. These initiatives include having a whole-of-Government hotline for confidential counselling services to provide all our public officers a safe channel to speak to trained counsellors and building a community of Wellness Ambassadors to serve as added support at the workplace.

As the Member has rightly pointed out, more can be done for workplaces in Singapore. I echo the Member's suggestion for more companies to regularly assess the state of their employees' mental health, for example, through the use of the iWorkHealth (iWH) tool. It is a free online psychosocial tool for organisations and their employees. This is the first step to identifying psychosocial risks in the workplace by giving an indication on the state of mental well-being within the organisation, not just in areas with potential to cause risks but also in areas where the organisation has done well.

The 2022 iWorkHealth results showed that one in three employees experienced work stress or burnout. The customised and anonymised company report allows each participating company to have a better understanding of their employees' state of mental well-being and stress factors at work, which then allows them to implement targeted interventions to address the unique challenges of their company.

Since the tool was introduced in 2021, the Workplace Safety and Health (WSH) Council has been promoting the use of iWorkHealth through the trade associations and our tripartite partners. Several Government agencies have also started using it. As of end-2022, more than 22,000 employees have used iWorkHealth.

To encourage greater adoption, companies which adopt the iWorkHealth tool are awarded bonus points that count towards their overall standing to qualify for and win the bizSAFE Exemplary Awards.

Similarly, for the annual WSH CARE (Culture of Acceptance, Respect and Empathy) Awards, the use of iWorkHealth or any equivalent tool to regularly assess the state of workforce mental well-being will be a key criterion from this year onwards.

To get more companies to embrace taking care of their employees as a priority, I believe that the National Volunteer and Philanthropy Centre (NVPC) will be happy to consider the Member's suggestion to include workplace mental health and well-being support in the new framework around corporate purpose for the recently launched new Company of Good programme.

On workplace mental health competencies, I agree that the management, HR, supervisors and employees themselves can be better trained to support mental well-being at the workplace.

In particular, HR plays a pivotal role in developing mental well-being policies and encouraging workers to go for mental well-being workshops to raise awareness and competencies. Ideally, all workplaces should identify and equip relevant representatives to spot signs of mental distress and common mental health conditions, provide initial support to their co-workers and guide the person in distress to seek professional help.

I thank the Member for his suggestion to enhance the Playbook on Workplace Mental Well-being to propose differentiated interventions for different groups of workplace stakeholders. Employers and those interested may wish to refer to the iWorkHealth website for a holistic framework which contains different types and levels of interventions and develop a strategy with interventions that best suit their own context.

To support SMEs in strengthening their workplace mental well-being, we have the Total WSH Programme by the WSH Council.

This programme provides free access to qualified consultants who can advise SMEs on how to manage safety and health in an integrated way and free intervention programmes such as mental well-being workshops to enhance SMEs' current support.

Since mental well-being was incorporated into Total WSH in 2020, more than 62,000 employees have access to Total WSH mental well-being workshops, of which more than 13,000 have attended and benefited from these workshops.

Similarly, HPB has a Workplace Outreach Wellness (WOW) package which supports both SMEs and large companies in rolling out broad-based workplace health programmes. This includes mental health workshops and Workplace Health Programmes based on the company's readiness and their employees' needs.

In addition, SkillsFuture Singapore funds various courses relating to mental well-being which seek to equip individuals, employers, managers and professionals managing workplace mental well-being with an overview of mental wellness, as well as providing information on how they can better support their colleagues and staff in times of mental distress. Training providers are able to contextualise these courses to suit the needs of the organisation, including the SMEs.

Mr Edward Chia would be pleased to know that the Young NTUC WSQ-certified training programme that he mentioned is one of the courses funded by SkillsFuture Singapore.

Much has been said about what employers and HR can do to create more supportive workplaces. We must not forget that workers too, have to take ownership of their mental well-being by taking active steps to stay positive mentally and to seek help when needed. This is similar to how each of us needs to take care of our physical health by having a balanced diet, adequate rest, exercise and seeking treatment when we fall ill.

Colleagues at the workplace can play a role as well, by providing emotional support to their peers or simply showing kindness and lending a listening ear to those around them.

We need to normalise conversations around mental health and mental well-being and remove any associated stigma. This was why HPB launched the "It's OKAY to Reach Out" campaign in 2021 to build awareness and understanding around mental health, empower individuals with coping skills to improve their mental well-being and to reach out for support when they feel overwhelmed.

Mr Speaker, Sir, I would like to acknowledge the efforts by employers, HR managers and workers to implement mental well-being initiatives at the workplace, create a safe space for conversations around mental health and mental well-being and for those in need to seek timely help.

Supporting the mental health and well-being of our workers is key to enabling them to lead a dignified and fulfilling life. Let us continue working together to build inclusive workplaces where workers can thrive in, and as part of our contribution to making Singapore a more inclusive place for all.

Question put, and agreed to.

Resolved, "That Parliament do now adjourn."

Adjourned accordingly at 9.17 pm.

WRITTEN ANSWERS TO QUESTIONS FOR ORAL ANSWER NOT ANSWERED BY END OF QUESTION TIME

WORKPLACE FATALITIES INVOLVING HOISTING OPERATIONS AND EXTENSION OF HEIGHTENED SAFETY PERIOD

40 Mr Melvin Yong Yik Chye asked the Minister for Manpower in view of the recent workplace fatalities involving hoisting operations (a) what are the measures in place to ensure that such operations are carried out safely for the workers involved; and (b) how many safety inspections relating to hoisting works has the Ministry conducted in 2022 and what are the key findings from these inspections.

41 Mr Melvin Yong Yik Chye asked the Minister for Manpower pertaining to the Heightened Safety Period (HSP) which started in September 2022 for workplaces and is due to expire on 28 February 2023 (a) whether the Ministry intends to extend the HSP; and (b) if not, why not.

Dr Tan See Leng: Arising from the spate of workplace fatalities in the first half of 2022, the Ministry of Manpower (MOM) had progressively rolled out interventions to increase enforcement, engagement and penalties; and introduced a six-month Heightened Safety Period (HSP) to instil a stronger safe operations culture and place greater accountability on senior management.

Since the start of the HSP in September 2022, 15 companies found with serious Workplace Safety and Health (WSH) lapses following serious or fatal workplace incidents, were debarred from hiring new foreign employees for up to three months and their Chief Executive Officers had to personally account to MOM to take responsibility for the rectifications. More than 760 composition fines and a total of 48 Stop Work Orders (SWOs) have been issued to errant companies thus far. The Ministry is working closely with these companies to ensure that the WSH lapses are rectified.

To further strengthen WSH in the construction sector, since October 2022, the Ministry had introduced a harmonised set of disqualification criteria across all public sector construction tenders. We also enhanced the Demerit Point System, where construction companies with consistently poor WSH performance will reach the penalty thresholds more quickly, after which they will be temporarily debarred from hiring

foreign employees. Based on our inspection findings, we observed a 21% improvement in enforcement actions per inspection for Construction. However, it remained the top contributor for workplace fatalities and major injuries in 2022.

The Ministry shares the Member's concerns over fatalities involving hoisting operations, with two recent incidents in December 2022. Lifting operations are one of the high-risk work activities that MOM inspects within worksites. From the inspections conducted last year, some of the commonly observed contraventions include failure to ensure lifting equipment were properly tested and examined by authorised examiners before use, lack of planning and establishment of lifting procedures, and non-compliance with lifting plans. We will work with industry to study further how to address these gaps.

For the 2022 WSH performance, there was a total of 46 workplace fatalities, with a fatality rate of 1.3 per 100,000 workers in 2022, compared to 1.1 per 100,000 workers in both 2021 and 2019 (pre-COVID-19). Eighty percent of all fatal and major injuries were from the traditionally higher-risk industries – Construction, Manufacturing, Transportation and Storage, and some services industries. Falls from height, vehicular incidents and crane-related incidents accounted for more than 60% of all fatalities. The main reasons for these fatalities were inadequate control measures or safety procedures, poor implementation of control measures and unsafe behaviours by workers. These are preventable safety lapses and the ultimate root causes are that management accountability, incentives and training for WSH need strengthening.

Overall, the HSP measures have helped to abate the spate of workplace fatalities, with the annualised fatality rate per 100,000 workers reducing significantly from 1.5 for January-August 2022, which was before HSP, to 0.8 for September-December 2022 during HSP. This suggests that with sufficient resolve, the industry can keep the fatality rate below 1.0 per 100,000 workers, which is our WSH 2028 aspiration. Thus far, only four countries in the Organisation for Economic Co-operation and Development (OECD) have achieved this fatality rate.

The major injury rate per 100,000 workers saw improvements, from 18.5 in 2021 and 18.1 in 2019 to 17.3 in 2022. However, the annualised major injury rates worsened during HSP. More needs to be done to bring us back on track to our WSH 2028 target of less than 12.0 per 100,000 workers. The impact of HSP across the higher-risk industries is also varied. Construction saw the most improvement, where the monthly average number of fatal and major injuries decreased during HSP. For Manufacturing, the monthly average number of fatal and major injuries worsened during HSP. Similarly for Transportation and Storage and higher-risk services industries, the monthly average number of major injuries worsened during HSP, suggesting upward pressures remained.

The Multi-Agency Workplace Safety Taskforce, comprising lead agencies of the sectors that contribute most of the fatal and major injuries, was set up as part of the HSP and is developing broad-based and sectoral WSH strategies. The International Advisory Panel (IAP) for WSH was also convened last month to bring international experts to weigh in on how Singapore can improve WSH. The Government has accepted the eight key recommendations by the IAP. Members can refer to the IAP for WSH Report for details of the recommendations and the 2022 WSH performance for each sector.

While we have seen some improvement, we need to remain alert and maintain our vigilance. The Ministry is reviewing the next steps when HSP ends in February. Extension of HSP is being considered as well as further measures to strengthen and entrench WSH incentives and culture.

Every worker deserves a safe and healthy working environment. All of us, corporate senior leadership, industry associations, union leaders and workers, must continue to play our part to uplift WSH.

SUCCESS OF JOB-RELATED HELP INCLUDING CAREER SUPPORT, PROFESSIONAL CONVERSION AND CAPABILITY TRANSFER PROGRAMMES

43 **Mr Abdul Samad** asked the Minister for Manpower (a) to date, how many Singaporeans have benefited from the various support programmes such as the Career Support Programme, Professional Conversion Programme and Capability Transfer Programme respectively; and (b) how much has been spent on the successful take-up rate of each programme relative to their respective budgets.

Dr Tan See Leng: The Professional Conversion Programme was rebranded as Career Conversion Programme (CCP) in August 2021 to reflect its broad coverage across a range of occupations. CCPs provide generous salary support for employers to reskill their mid-career workers for new jobs with better prospects and opportunities for progression. Workforce Singapore (WSG) offers close to 100 CCPs across around 30 sectors and works with sector agencies and employers to mount new CCPs for growth areas. For example, WSG launched the CCP for sustainability professionals last year, to prepare workers for new roles such as sustainability officers and carbon analysts. Since 2016, we have committed close to \$1 billion for CCPs and more than 40,000 locals have benefited from them.

Mr Abdul Samad has also asked about the Capability Transfer Programme (CTP). CTP was introduced in October 2017 and provides funding support to companies to acquire global capabilities not available in Singapore. We have committed about \$5 million to fund projects that have supported over 1,000 local workers to date. Due to travel restrictions arising from the COVID-19 pandemic, the take-up of CTP had been low over the past few years. With the gradual resumption of international travel, we are observing more enquiries and applications for CTP and we expect take-up to increase.

CTP is but one of several ways in which the Government supports firms in capability transfer. Enterprise Singapore's Global Ready Talent Programme supports Singapore companies in building young talent pipeline through internships and overseas work opportunities. Structured company training programmes, which can be supported under SkillsFuture and the aforementioned CCPs, are also vehicles for skills transfer.

The Career Support Programme was discontinued in 2020.

We support jobseekers in other ways besides these programmes that Mr Abdul Samad highlighted. The SGUnited Jobs and Skills Package brought together programmes from various agencies to help jobseekers enter new jobs, or to pursue attachments and training programmes to improve their employability. These include the SGUnited Mid-Career Pathways Programme and the SkillsFuture Career Transition Programme.

Thanks to the strong partnership with employers and unions, the take-up of the SGUnited Jobs and Skills programmes has been encouraging. From April 2020 to April 2022, around 200,000 locals were placed into jobs, traineeships and attachment opportunities under the SGUnited Jobs and Skills Package, of which close to eight in 10 were placed into permanent jobs.

While there is a wide suite of jobs and skills programmes available, their success ultimately depends on both employers and workers. I encourage employers to be intentional and forward-looking in training their workforce. I also encourage workers to embrace learning new skills and be open to new career challenges. This is the way that both businesses and workers can seize new opportunities and succeed together.

IMPACT OF COLLAPSE OF SUN CABLE PROJECT ON SINGAPORE'S RENEWABLE ENERGY TARGETS

44 Dr Lim Wee Kiak asked the Minister for Trade and Industry (a) what are the implications of the collapse of the Sun Cable project on Singapore's green targets and clean energy aspirations; (b) whether the Ministry is exploring the possibility of reviving the project or similar initiatives; and (c) what insights and lessons can be gleaned from the collapse of the Sun Cable project to be applied to future clean energy projects and initiatives to ensure their successful implementation and completion.

45 Miss Cheryl Chan Wei Ling asked the Minister for Trade and Industry with the current state of the Sun Cable project (a) what are the implications to Singapore's ambition to import low carbon electricity; (b) whether Singapore has made actual financial investment into the project; and (c) what considerations are in place to assess the commercial risk and project execution of such future projects.

46 Mr Edward Chia Bing Hui asked the Minister for Trade and Industry (a) what are the implications of the collapse of the Sun Cable project on Singapore's renewable energy targets; (b) whether the Ministry has studied the reasons for the collapse; and (c) if so, whether similar risks apply to other regional renewable energy grid projects that Singapore has committed to.

Mr Gan Kim Yong: My response will also address the Parliamentary Question filed by Ms He Ting Ru due for a later Sitting on the same topic.

Singapore currently relies on natural gas, the cleanest source of fossil fuel, for almost all our power generation. To decarbonise our power sector, we are tapping on three sources of clean energy. First, we are accelerating the deployment of solar energy, which is the most viable renewable energy source in Singapore. Second, we are working with our regional partners to develop regional power grids and import up to four gigawatts (GW) of low-carbon electricity by 2035. Last but not least, we are exploring new alternative sources of energy such as hydrogen and geothermal energy. We published our National Hydrogen Strategy in October last year and have launched an Expression of Interest (EOI) exercise for an ammonia power generation project to be operational from 2027.

There are abundant renewable energy resources in the region and beyond, and considerable interest from companies to bring electricity into Singapore. The Energy Market Authority (EMA) has received more than 20 proposals for its ongoing Requests for Proposals exercise. Sun Cable's proposal is one of them. As part of the tender process, EMA has been clarifying our technical requirements with Sun Cable. However, Singapore has not made any commitment, financial or otherwise, into the Sun Cable project. Singapore therefore bears no financial impact from the recent actions taken by Sun Cable to enter into voluntary administration.

EMA remains on track to import up to four GW by 2035. Discussions with companies on the projects are in progress. We also welcome Sun Cable to resume discussions when it is ready to do so.

Strong international collaborations are also necessary to facilitate commercial electricity trading projects and the development of regional power grids to support both Singapore's and regional decarbonisation, and enhance our collective energy security and resilience.

To this end, Singapore has signed Memoranda of Understanding with Brunei, Cambodia, Indonesia, Lao PDR and Vietnam in the past year, to strengthen our energy collaborations, and develop regional power grids and cross-border electricity trading. We are also working with the US Department of Energy on the Feasibility Study on Regional Energy Connectivity in Southeast Asia, with the aim of enhancing energy connectivity in the region so as to improve energy security and strengthen grid resilience.

We have also embarked on small-scale projects such as the Lao PDR-Thailand-Malaysia-Singapore Power Integration Project, under which we are importing up to 100 megawatts (MW) of hydropower from Lao PDR. On 30 January 2023, YTL PowerSeraya and TNB Genco exchanged a Cross-Border Purchase Agreement to import 100 MW of electricity from Malaysia as part of a two-year trial. We look forward to the implementation of this project and further small-scale import projects which serve as important pathfinders for scaling up electricity trading.

RECTIFICATION FOR HDB FLATS FACING MOULD GROWTH

48 Dr Lim Wee Kiak asked the Minister for National Development (a) whether the deterioration of HDB building facades resulting in recent complaints can be attributed to changes in weather and climate conditions; (b) what are the potential safety risks that the Ministry is monitoring; and (c) how will the Ministry review and adapt construction and maintenance codes and standards to cope with the change of

climate in the long term.

49 Dr Shahira Abdullah asked the Minister for National Development (a) what percentage of HDB BTO flats are affected by mould formation before the end of the six-year exterior painting warranty period; (b) how often does the mould recur; (c) whether there are any health risks associated with prolonged exposure to mould; and (d) whether there are any predisposing factors which make certain blocks more susceptible to mould formation and what is being done to counteract them.

50 Mr Edward Chia Bing Hui asked the Minister for National Development (a) what are the reasons that some HDB developments are more susceptible to mould; and (b) what preventive treatments does HDB undertake.

51 Miss Cheryl Chan Wei Ling asked the Minister for National Development (a) whether there is a need to review the standards of paint work on buildings or infrastructures to prevent the effects of moulding; and (b) whether there is a need to update the maintenance practice for buildings that are near the coastline or along waterways.

Mr Desmond Lee: My response will also cover the matters raised in the question by Assoc Prof Dr Jamus Jerome Lim which is scheduled for a subsequent Sitting. I would invite the Member to seek clarifications if need be. If the question has been addressed, it may not be necessary to proceed with the question for future sittings.

Prolonged exposure to severe environmental conditions, such as high temperatures and intense rainfall, may generally accelerate the deterioration of building façade materials. To ensure that façade deterioration is detected and rectified in a timely manner, the Building and Construction Authority (BCA) implemented the Periodic Façade Inspection (PFI) regime last year. Under the regime, buildings that are more than 20 years of age and over 13 metres in height must be inspected by a trained professional every seven years. This will help building owners to ensure that their building façades are safe and well-maintained throughout the lifespan of their buildings.

BCA is also conducting a study on the impact of changing climatic and weather conditions on the service life of façade materials, which will contribute to the identification of more durable façade materials and the development of best practices for their maintenance. BCA will continue to review its requirements regularly to ensure that they are on par with international standards and take into account the latest climate projections.

To determine the cause of mould growth observed at Anchorvale Parkview and Matilda Court, HDB will be commissioning an independent professional technical study. The scope of this study will also address why some blocks are more susceptible to mould growth and include recommendations to remedy the current situation and to prevent future recurrence. This study is expected to take about three to four months to complete. Nonetheless, HDB has assessed that the mould growth observed for affected blocks does not affect structural components and poses no risks to the structural integrity of the building.

Mould growth is not limited to a building's exterior. Mould is also commonly found indoors, such as in bathrooms, where the higher humidity and dampness create a more conducive environment for mould to grow. There are several factors that determine the presence and magnitude of the health risks caused by mould. For example, the level of risk faced by an individual is influenced by the individual's activity patterns and proximity to mould, including the duration for which the individual is exposed to the mould, as well as the individual's current health, such as whether he or she has any chronic illnesses, particularly, respiratory related. The impact of mould on one's health would hence, for example, be less arising from the mould on the facades than in the bathroom. Nonetheless, the technical study mentioned will be identifying the species of mould found at Anchorvale Parkview and Matilda Court for further risk assessment.

To rectify mould growth on external walls, thorough cleaning of the external walls and patching of cracks is conducted, before repainting with sealer and algae-resistant paint. This is usually carried out by Town Councils as part of their management and maintenance of the common property.

The recommended schedule for Town Councils to carry out Repair and Redecoration (R&R) works is seven years. Nonetheless, Town Councils have the discretion to decide whether to slightly advance or defer such works beyond the recommended schedule, depending on their operational needs. They can also engage a paint specialist to recommend a more optimal repainting method for any unique situation. If necessary, they may approach HDB for further advice.

For newly-completed HDB blocks which are handed over to the Town Councils for management and maintenance, a six-year warranty period for external painting is also provided. This warranty covers defects or imperfections such as peeling paint, discolouration and mould growth. During this warranty period, Town Councils can approach the building contractor and their paint specialist to rectify any defects or imperfections identified.

The external walls of all HDB developments are painted with one coat of water-based sealer and two coats of algae-resistant emulsion paint. The water-based sealer enables better paint adhesion to the surface and is commonly used on external walls before the application of algae-resistant emulsion paint. The algae-resistant paint contains biocide which prohibits the growth of algae culture and gives the paint its algae resistant properties. The sealer and emulsion paint used in HDB blocks complies with the Singapore Standard 579 and the Singapore Standard 345 respectively, and they are also commonly used for buildings in Singapore, for both public and private sector projects.

These standards, which have helped ensure that external façade walls remain clean and clear of mould over the last 20 years, were most recently reviewed with industry experts in 2021 to ensure that the standards are updated and remain relevant to the industry. These standards were also used in numerous other HDB projects, where no such incidents of mould growth have been identified, including developments located near water bodies.

Depending on the outcome of the assessment commissioned by HDB, the Singapore Standards Council will assess the need to further review the relevant standards, on top of the periodic review carried out every five to eight years to ensure their relevance. Correspondingly, HDB will also assess the need to further review the specifications and maintenance practices for flats.

AUDITING GOVERNMENT'S COVID-19 SPENDING FOR FINANCIAL YEARS 2020 AND 2021

52 Mr Yip Hon Weng asked the Deputy Prime Minister and Minister for Finance in light of the recommendations in the Third Report of the Public Accounts Committee (a) has the Ministry begun the audit of the \$72.3 billion in COVID-19 spending for financial year 2020 and 2021; (b) if so, when will the findings be released; and (c) whether the Ministry intends to engage the Auditor-General's Office (AGO) to audit this spending as it was not covered in the thematic audit by AGO.

Mr Lawrence Wong: The Auditor-General's Office (AGO) carried out a thematic audit in FY2021/2022 covering selected COVID-19 related procurement and expenditure at three agencies: the Ministry of Manpower (MOM), the Health Promotion Board (HPB) and the Singapore Land Authority (SLA). AGO's ongoing audits for FY2022/2023 will cover the Jobs Support Scheme, Rental Relief Framework (Cash Grants), Rental Support Scheme and SingapoRediscovered Vouchers Scheme. The expenditure incurred by the agencies for the schemes or areas subject to AGO's audit adds up to \$32.3 billion and forms part of the \$72.3 billion of COVID-19 spending. Using a risk-based approach, AGO may choose to audit other selected areas of COVID-19 spending in their on-going and subsequent reviews.

Besides AGO's audits, agencies have conducted internal audits on COVID-19 spending since early 2022, which include reviews on the effectiveness of internal controls, as well as the validity and accuracy of payments. Findings and remedial actions from the internal audits are reported to the respective agencies' senior management, as well as to their Audit Committees and Boards in the case of Statutory Boards.

The \$72.3 billion in COVID-19 spending included a broad range of public expenditure to safeguard public health and enable safe reopening and support measures for individuals and businesses in the form of grants, financing assistance, tax rebates and vouchers. Over half of the COVID-19 expenditure has been audited and the remaining audits are ongoing and are expected to be completed by the end of FY2024.

ENSURING SMOOTH AND FAIR POLICE INVESTIGATION PROCESS FOR ALLEGED OFFENDERS WITH DISABILITIES AND MENTAL CHALLENGES

53 Ms Denise Phua Lay Peng asked the Minister for Home Affairs in dealing with alleged offenders with disabilities, especially those with less than full mental capacity (a) what challenges does the Police face in ensuring smooth and fair investigation; (b) what are the selection criteria for the volunteers in the Appropriate Adult Scheme; (c) how are their suitability and competencies assessed; and (d) what proactive communication efforts are made with families, schools and charities associated with these alleged offenders to assure them of the support that will be provided.

Mr K Shanmugam: Police Investigation Officers (IOs) do look out for signs of mental disability. The Police have also worked with the Agency for Integrated Care (AIC) to increase officers' awareness of mental health conditions and develop their ability to interact with persons with such conditions.

Under the Appropriate Adult Scheme for persons with mental disabilities, IOs can activate Appropriate Adults (AA) to provide emotional support to such persons during law enforcement interviews and facilitate communication with the IOs.

Individuals aged 21 and above, who are patient, level-headed and capable of sound reasoning, can sign up to be an AA.

Individuals who sign up to be an AA have to undergo a one-day training conducted by the Movement for the Intellectually Disabled of Singapore (MINDS), before they can be onboarded as an AA. They will be trained to recognise signs of distress and to communicate with persons with mental disabilities during law enforcement interviews. The training also allows the trainers to observe the individuals' suitability. Any concerns will be looked into prior to onboarding. Even after confirmation as an AA, IOs will provide feedback to the service provider on the competency and performance of the AA as necessary.

Under the Home Team Community Assistance and Referral Scheme, the Police will refer alleged offenders with mental disabilities to social workers, for assessment and onward referral to relevant agencies, such as the Ministry of Social and Family Development (MSF) and social service agencies, where required. If the alleged offenders are studying in schools under the Ministry of Education (MOE), the Police will also notify both their parents (or guardians) and the schools, so that they may be better supported during the investigations.

SUPPORT FOR CHINESE CLAN ASSOCIATIONS AND LEARNING OF CHINESE DIALECTS

54 Mr Dennis Tan Lip Fong asked the Minister for Culture, Community and Youth (a) what is the current total number of Chinese clan associations; (b) whether the Government tracks the growth or decline in the number of such clans and their membership; (c) if so, what has been the trajectory over the past 10 years; and (d) what are the Government's current efforts and plans to support clan associations in preserving the culture and heritage of Chinese Singaporeans.

55 **Mr Dennis Tan Lip Fong** asked the Minister for Culture, Community and Youth whether there are any current plans to promote greater learning and use of dialects by Chinese Singaporeans.

Mr Edwin Tong Chun Fai: There are currently 242 Chinese clan associations representing more than 115,000 individual members registered under the Singapore Federation of Chinese Clan Associations (SFCCA), which is the umbrella body for Chinese clans in Singapore. There may be other clan associations that are not members of SFCCA.

The Government recognises that clan associations play an important role in preserving and promoting our local heritage and culture. They reinforce uniquely Singapore Chinese traditions and build a connected and cohesive community. We often partner them in various ways to serve the community and celebrate our heritage.

To facilitate this, the Government set up the Chinese Community Liaison Group (CCLG) in 2000. The CCLG seeks to partner the Chinese community organisations to strengthen our Singapore society.

Our agencies also work closely with and support SFCCA and other clan associations on a range of community and heritage programmes and initiatives.

The National Arts Council (NAC) and the National Heritage Board (NHB) regularly support initiatives by clan associations. These include digital performances and festivals that celebrate traditional art forms and intangible cultural heritage, heritage galleries as well as documentation projects.

NHB also partners clan associations to document and identify intangible cultural heritage elements and curate exhibitions on the Singapore Chinese heritage. In addition, we co-fund the maintenance and upkeep of the National Monuments owned by clan associations via the National Monument Fund.

The Government also supports the Singapore Chinese Cultural Centre (SCCC) as the pinnacle institution for the promotion and development of Singapore Chinese culture. As a community-led initiative led by SFCCA, SCCC works closely with various clan associations to develop programmes and initiatives that celebrate the many facets of our unique Singapore Chinese culture.

Every year, the Government also supports SFCCA and co-organisers on the annual River Hongbao celebration.

We are aware of the growing interest among clans to preserve various Chinese regional dialects. The Ministry of Culture, Community and Youth (MCCY) recognises that Chinese dialects are part of the Singapore Chinese culture and heritage and welcomes the clans' efforts to do so even as the Government maintains its existing language policy of promoting the usage of Mandarin as one of our four official languages.

Chinese dialects continue to be used in informal communication and those who are interested can participate in classes organised by clan associations.

There are also arts and culture activities organised by clan associations or arts practitioners which feature dialects, such as Nanyin and Teochew Opera.

NAC and NHB support such activities through their grant schemes as part of promoting Singapore's traditional arts and intangible cultural heritage.

The efforts by the clans to promote the Singapore Chinese culture and heritage add to the diversity and richness of our cultural legacy and enrich Singaporeans' appreciation of our unique multicultural identity.

COOPERATION BETWEEN GOVERNMENT AND RELIGIOUS ORGANISATIONS TO IDENTIFY AND HELP THOSE AT RISK OF SELF-RADICALISATION

58 **Ms Joan Pereira** asked the Minister for Home Affairs (a) how does the Ministry support religious organisations in countering radical views, both online and offline; and (b) whether the Ministry reviews possible areas of cooperation with religious organisations regularly to identify and help those at risk of self-radicalisation.

Mr K Shanmugam: The Ministry of Home Affairs (MHA) works with other Government agencies, the community and partners, including religious organisations, to counter radical views and self-radicalisation.

To prevent the importation of radical views, the Government has disallowed foreign religious preachers from entering Singapore if their teachings are segregationist or intolerant of other religious faiths and practices, which are inimical to our multiracial, multi-religious society.

We provide platforms and training for religious organisations to address the issue of self-radicalisation. Since 2017, the Ministry of Culture, Community and Youth (MCCY) has organised several Counter-Terrorism Seminars to update more than 500 religious organisations on the threats of extremism and online radicalisation. Under MCCY's Crisis Preparedness for Religious Organisations programme, religious organisations are also trained to build up their capacity to respond to the threat of terrorism and other crises. The training for religious organisations includes workshops on identifying signs of radicalisation and developing capabilities to enhance their online outreach.

MHA and MCCY also work with religious organisations to explore new areas of cooperation to build common space and reject segregationist teachings and practices. For example, in June 2019, our religious leaders collectively affirmed the Commitment to Safeguard Religious Harmony in Singapore. This Commitment articulates the shared values to safeguard religious harmony and highlights

the practical ways Singaporeans of different faiths can build common space.

MHA has also been reaching out to the neighbourhoods, schools and workplaces, to raise public awareness of the threat of terrorism and online radicalisation, and the importance of early reporting. We have done this through the SGSecure movement, as well as through community organisations such as the Religious Rehabilitation Group (RRG) and the Inter-Agency Aftercare Group (ACG).

For example, RRG and ACG conduct regular community outreach through visits to RRG Resource and Counselling Centre, assembly talks, and youth forums to sensitise members of the public to the terrorism threat and strengthen the community's resilience against extremist ideas.

On top of working closely with community partners and religious organisations, the Government has in place levers to block access by Singapore users to websites that propagate radicalisation and extremism. In addition, in November 2022, the Online Safety (Miscellaneous Amendments) Bill was passed in Parliament to further strengthen measures to tackle harmful online content on social media, including content advocating terrorism and violence or likely to cause racial and religious disharmony. MHA is also working to strengthen Singapore's legal levers to deal with criminal harms online, including materials disseminated by terrorists.

Radicalisation is a threat to our social fabric, and while it is less apparent than any immediate loss of life, it can greatly damage our nation as a whole. We will continue to work closely with the religious organisations, other Government agencies and the community to find ways to educate the public on radicalisation.

PLANNING PARAMETERS FOR OBSTETRICS AND GYNAECOLOGY OR PAEDIATRIC CARE SERVICES IN PUBLIC HOSPITALS

59 **Assoc Prof Jamus Jerome Lim** asked the Minister for Health (a) what are the factors considered when determining the availability of obstetrics and gynaecology or paediatric care services in public hospitals; and (b) whether the Ministry has considered implementing more of such services in public hospitals situated in areas with a higher concentration of younger families, such as Sengkang and Punggol.

Mr Ong Ye Kung: The Ministry of Health (MOH) takes into account national and regional demographic and demand trends in planning for public hospital services in Singapore.

In that regard, Sengkang General Hospital (SKH) provides outpatient obstetrics and gynaecology (OG) and general paediatric services, including pre- and post-natal screening and basic fertility consultation, to cater to families with young children living in the northeast region of Singapore.

However, public inpatient OG and paediatric services are centralised in KK Women and Children's Hospital (KKH), National University Hospital (NUH) and the Singapore General Hospital (SGH). This allows for the consolidation of specialty and subspecialty expertise and resources to deliver the best outcomes for patients. Being a small compact city with relative short travel distances, this is a practical and effective arrangement.

NUMBER OF PRIVATE PROPERTY OWNERS GIVEN WAIVER OF 15-MONTH WAIT-OUT PERIOD TO BUY HDB RESALE FLAT AFTER SELLING HOME

60 **Mr Darryl David** asked the Minister for National Development whether the rule to prevent private property owners from buying HDB resale flats for 15 months after selling their private property has impacted (i) the HDB resale market and (ii) the rental market as private owners will now have to rent a flat to sit-out this 15-month period before they can buy a HDB resale flat.

61 **Mr Darryl David** asked the Minister for National Development whether the Government can provide an update on (i) the number of private property owners who are given a waiver of the 15-month wait-out period after selling their private property before they can buy a HDB resale flat and (ii) the reasons for providing these private property owners with this waiver.

Mr Desmond Lee: As part of the property cooling measures introduced on 30 September 2022, private residential property owners (PPOs) and ex-PPOs are required to serve a wait-out period of 15 months after the disposal of their private properties before they are eligible to buy a non-subsidised resale flat. This is a temporary measure to help moderate demand for resale flats. Nevertheless, to support seniors in right-sizing to enhance their retirement adequacy, the 15-month wait-out period does not apply to those aged 55 and above, including their spouses, who are moving to a 4-room or smaller resale flat.

Besides the cooling measures, HDB has ramped up the flat supply by about 35%, from about 17,100 BTO flats being launched in 2021 to about 23,200 BTO flats being launched in 2022. We will continue to launch up to 23,000 BTO flats this year.

There has been some moderation in the resale market, as HDB's Resale Price Index in the fourth quarter of 2022 registered an increase of 2.3% over that in the third quarter of 2022. This is lower than the 2.6% increase in the third quarter of 2022 and is the lowest quarter-on-quarter increase in 2022. Total resale volume has also moderated. For 2022, the total resale volume was about 10% lower than in 2021. We will continue to closely monitor and adjust our policies where necessary, to ensure a stable and sustainable property market.

Median rents for HDB flats have increased in recent quarters, due to strong demand for rental accommodation from various groups such as Singaporeans temporarily renting while waiting for the completion of HDB and private properties that had been delayed due to COVID-19 as well as people coming to Singapore to work or study. Private property owners affected by the 15-month wait-out period may have also turned to the HDB rental market, contributing to the demand.

Between 30 September 2022 and 30 November 2022, HDB received 1,284 appeals from PPOs or ex-PPOs to waive the 15-month wait-out period. Thus far, 902 appeals have been processed and about 38% of them were successful. The majority of successful appellants had already committed to buy the resale flat, with an Option to Purchase (OTP) that was obtained before 30 September 2022.

HDB is progressively reviewing the remaining appeals received. HDB evaluates each appeal carefully on a case-by-case basis based on individual merits of the case, such as whether the appellants have committed to the purchase of a resale flat prior to 30 September 2022, or whether the appellants are in financial difficulties and do not have viable housing options.

OPPORTUNITIES AND CHALLENGES IN MAINTAINING POSITION AS TECH HUB WITH RECENT LAY-OFFS IN TECH SECTOR

62 **Mr Saktiandi Supaat** asked the Minister for Trade and Industry in light of the layoffs in the tech industry recently (a) whether the bursting of the dot-com bubble in the early 2000s presents any lessons to guide our approach towards the tech industry today; (b) what are the new opportunities and challenges in maintaining our position as a tech hub; (c) does the Ministry consider it a cyclical issue; and (d) if so, is there a medium- to long-term response for the sector's outlook and demand for resources.

Mr Gan Kim Yong: The dot-com crash reminds us that we must always be prepared for market volatility. We must consistently strengthen our fundamentals and take a long-term view. This means building the capabilities of our enterprises and people and ensuring that Singapore remains an open and trusted location for companies to anchor their operations, innovate and hire.

We remain optimistic about the long-term prospects of the tech sector, notwithstanding the recent layoffs. Even after accounting for the recent retrenchments, the Information and Communications (I&C) sector remains one of our economy's fastest growing sectors. The sector's resident workforce has been growing by more than 40% in the last five years. This reflects strong underlying optimism for the future.

We will support the sector's growth in several ways:

(a) we will continue to build our tech ecosystem by attracting tech companies, talent and investments into Singapore and investing in our local tech companies;

(b) through initiatives such as the Partnerships for Capability Transformation (PACT) programme which supports projects in areas including business development, co-innovation and capabilities improvement, we will strengthen partnerships between our multinational companies and local small and medium enterprises. We will also facilitate collaboration and partnerships between companies to help them grow, innovate, and pursue new business opportunities at home and abroad;

(c) we will continue to invest in training and upskilling our tech workforce so that they can take on these tech jobs that we have created. For example, IMDA's Tech Skills Accelerator (TeSA) has trained and placed more than 13,000 individuals into good tech jobs with another 180,000 trained in emerging tech areas including cybersecurity, artificial intelligence and data analytics;

(d) we are also establishing forward-looking digital trade rules through Digital Economy Agreements with our partners to connect our tech ecosystem to the world.

MEASURES TO CURB BORROWING BY MIGRANT DOMESTIC WORKERS AND TEACH THEM PRUDENT FINANCIAL MANAGEMENT

63 **Mr Seah Kian Peng** asked the Minister for Manpower (a) whether there is an increasing trend of borrowing by migrant domestic workers (MDWs) from licensed and unlicensed moneylenders; (b) whether new measures to curb borrowing by MDWs will be considered; and (c) how can the Government work with employers, non-governmental organisations and employment agencies to better educate MDWs, especially new MDWs, on prudent financial management and the risks and implications of borrowing money.

Dr Tan See Leng: The number of Migrant Domestic Workers (MDWs) borrowing from licensed moneylenders (LMLs) has increased but remains low at about 150 borrowers per year from 2020 to 2022. On the unlicensed moneylending situation, based on harassment reports involving MDWs borrowing from unlicensed moneylenders (UMLs), the Singapore Police Force (SPF) estimates the number of MDW borrowers to be in the hundreds and that it has been increasing over the past three years.

The Ministry of Law (MinLaw) has implemented measures over the years to curb borrowing from LMLs by foreigners, including MDWs. This includes restrictions on the supply of loan by LMLs, aggregate loan caps, a **self-exclusion framework**, as well as restrictions on LMLs' advertising practices that prohibit targeted advertisements at vulnerable groups such as MDWs.

On the UML front, SPF continues to take a tough stance. In 2022, SPF conducted 12 major enforcement operations and investigated a total of 1,391 persons involved in UML activities. SPF also partners relevant stakeholders to combat UML activities. For example, SPF works with banks to report suspicious transactions, including those related to UML activities. If the MDW is found to have borrowed from UMLs, her employer would be informed. The MDW's work pass is liable to be revoked and she will be barred from further employment in Singapore.

To complement enforcement, the Ministry of Manpower (MOM) and SPF have been working closely with the various stakeholders to educate migrant workers, including MDWs, on prudent financial management practices and the risks and implications of borrowing money. This is done through channels such as the mandatory Settling-In-Programme for all first-time MDWs, guidebooks and regular newsletters where MDWs are taught basic money management and advised to consult their employers or employment agencies if they need money on

short notice, rather than borrow from moneylenders. Similarly, employers are educated during the Employer Orientation Programme and via regular newsletters to advise their MDWs to stay away from UMLs. MOM also collaborates with Non-Governmental Organisations (NGOs), such as Aidha and the Foreign Domestic Worker Association for Social Support and Training (FAST), to conduct financial education and literacy courses for MDWs.

MOM, MinLaw and SPF will continue to monitor the situation closely and will work with the various stakeholders to step up efforts as necessary.

WORK ON SILVER ZONE AT BEDOK RESERVOIR ROAD

64 **Mr Pritam Singh** asked the Minister for Transport (a) when does LTA intend to begin work on the Silver Zone at Bedok Reservoir Road as originally announced on 5 March 2020; and (b) whether these works can be carried out in conjunction with the construction of the cycling path network at the same stretch of road so as to minimise inconveniences to residents.

Mr S Iswaran: As planned, the Land Transport Authority (LTA) will commence works on the Silver Zone at Bedok Reservoir Road by end-2023. These works will be constructed together with the planned cycling path to minimise inconveniences to residents. This is part of the planned 50 Silver Zones that will be completed islandwide by end-2025.

SHELTERED LINKWAYS FOR RESIDENTIAL ESTATES WITH LARGER ELDERLY POPULATION

65 **Ms Denise Phua Lay Peng** asked the Minister for Transport (a) under what circumstances will sheltered linkways be approved for construction if they are not close to major transport nodes and key amenities; and (b) whether residential estates that consist largely of elderly profiles will be favourably considered for sheltered linkways to be constructed.

Mr S Iswaran: Covered linkways are built by various parties including the Housing and Development Board (HDB), Town Councils (TCs) and the Land Transport Authority (LTA). LTA's priority is to benefit as many commuters as possible, including seniors. Hence, covered linkways are constructed near high trip-generating clusters so that commuters are connected between major transport nodes and key amenities such as schools, libraries, community clubs, healthcare and eldercare institutions. Over the years, the network of covered linkways built by LTA has expanded significantly to over 200 kilometres today.

Moving forward, LTA will continue to focus on covered connectivity near high trip-generating clusters to serve commuters' needs at public residential estates. Covered linkway requests sent to LTA which are not close to major transport nodes and key amenities are considered in consultation with other agencies on a case-by-case basis. Factors considered include pedestrian traffic, the needs of vulnerable pedestrians, and the possibility of connecting to the covered linkway network provided by HDB, Town Councils and private organisations, including Management Corporation Strata Titles (MCSTs), to provide commuters with greater overall sheltered connectivity.

LIFTING OF ALL COVID-19 MEASURES INCLUDING MASK WEARING ON PUBLIC TRANSPORT AND IN HEALTHCARE FACILITIES

66 **Mr Yip Hon Weng** asked the Minister for Health (a) what are the considerations for the lifting of all COVID-19 measures, including mask wearing on public transport and in healthcare facilities; and (b) when will the Government do so.

Mr Ong Ye Kung: As mentioned in the Prime Minister's New Year's Day message, we will review the remaining few COVID-19 measures to arrive at a new post-COVID-19 norm. This is currently in progress, as we monitor the situation following the recent festive holidays, the Northern Hemisphere winter and the opening up of China.

REVIEW OF SENTENCING FRAMEWORK FOR SCAMS-RELATED CRIMES

67 **Ms Joan Pereira** asked the Minister for Home Affairs (a) how often does the Ministry review the sentencing framework for scams-related crimes; and (b) whether heavier penalties under the sentencing framework for scams-related crimes can be considered for a deterrent approach.

Mr K Shanmugam: Depending on the facts of the case, scammers may be charged for one of the cheating offences under sections 417 to 420 of the Penal Code, which upon conviction, carry maximum imprisonment terms of between three and 10 years for each charge.

The Ministry of Home Affairs (MHA) regularly reviews the adequacy of penalties for all offences, including those related to scams. Our assessment is that the penalties for scams-related offences are adequate. For example, in August 2022, a scammer was sentenced to five years' imprisonment for a series of e-commerce scams on Carousell involving 396 victims and losses of more than \$108,000.

The problem is not that penalties are too low. The main challenge in prosecuting scammers is that most of them are based overseas. They are also adept at using technology to cover their tracks.

Therefore, in our fight against scams, a key priority is to put in place upstream measures to prevent Singaporeans from falling prey. For example, the Infocomm Media Development Authority (IMDA) has worked with telcos to block overseas numbers spoofing domestic fixed-lines and mobile numbers. More recently, in January 2023, IMDA mandated all organisations that send SMSes using alphanumeric Sender

IDs to register with the Singapore Sender ID Registry (SSIR). SSIR will block all SMSes attempting to spoof Sender IDs that have been registered.

Ultimately, the best defence against scams is a discerning public. We have stepped up our scams public education efforts. In January this year, the National Crime Prevention Council and the Singapore Police Force (SPF) launched a new national anti-scam campaign, called "I can ACT against scams".

"ACT" refers to taking action to safeguard oneself against scams and reflects a shift in our emphasis from building awareness on scams, to individuals and the community taking action against scams. It is also an acronym for the three key steps of "Add, Check and Tell" to promote key steps that everyone can take to safeguard themselves from scams.

First, "Add". Everyone should make a proactive and conscious effort to ADD the security features, such as ScamShield to protect themselves against scams.

Second, "Check". Always be vigilant, take time to spot scam signs and ensure transactions are done via authentic platforms and with legitimate parties.

Third, "Tell". Members of the public should tell authorities about scam encounters. The faster scams are reported to the authorities, the faster the authorities can take action to prevent more people from falling prey to scams. The public should also tell their family members and friends about scams to raise our collective defence against scams.

LETTING PROSPECTIVE BUYERS OF RESALE FLATS KNOW HISTORY OF REPAIRS

68 **Assoc Prof Jamus Jerome Lim** asked the Minister for National Development whether HDB has considered providing to prospective buyers of resale flats, on request, a history of known repairs effected on the unit, including those effected by Town Councils through their integrated estate management systems.

Mr Desmond Lee: The sale and purchase of a Housing and Development Board (HDB) resale flat is premised on the caveat emptor principle, as with the sale and purchase of resale private properties.

Flat owners are responsible for the maintenance and repairs needed to upkeep their flats. Generally, they would have to engage their own contractor to carry out any repairs within their flats. On a case-by-case basis, if they need help, HDB may assist to check and offer advice to the flat owners on the remedial repairs. HDB will also provide a list of repair contractors to flat owners if they encounter difficulties in engaging one. However, the decision lies with flat owners if they wish to proceed with the repair and whom they intend to engage.

For maintenance issues arising from external sources such as wall seepages, HDB will work with the Town Council to provide advice or assistance to the flat owner to address such issues.

HDB does not collect comprehensive data on repairs done within flats by owners, or information on repairs effected by Town Councils through their integrated estate management systems.

Buyers of HDB resale flats are advised to inspect and be satisfied with the condition of the flats that they are purchasing before committing to the purchase. Home buyers may engage a Qualified Person, for example, a building surveyor, to help them with the inspections before the purchase if they find it necessary.

UPDATE ON NATIONAL ARTS COUNCIL'S BUSKING SCHEME

69 **Mr Darryl David** asked the Minister for Culture, Community and Youth whether he can provide an update on the National Arts Council's (NAC) busking scheme in terms of (i) the number of buskers registered under the scheme over the last three years (ii) the locations where the buskers are currently allowed to perform and (iii) the support measures that are provided to the buskers by NAC.

Mr Edwin Tong Chun Fai: The National Arts Council (NAC) administers the busking scheme, which aims to enliven our city life and energise urban spaces. There were about 300 registered buskers in 2020. Since March 2020 when the pandemic hit, NAC suspended busking activities to support national efforts to contain the COVID-19 situation. With the resumption of busking in March 2022, the number of registered buskers has returned to pre-pandemic levels.

NAC considers buskers an important community as contributors to building a vibrant arts scene and is committed to supporting them to hone their craft and giving them opportunities to showcase their talents with the wider community. At the height of the COVID-19 pandemic, NAC encouraged buskers to explore the digital space to engage their audiences. For example, NAC organised online busking sessions and subsidised the performance rights fees and provided each participating busker with an honorarium. The busking community demonstrated creativity, resilience and a positive spirit by adopting online channels to share their performances.

In March 2022, when the suspension on busking was lifted with the relaxation of COVID-19 Safe Management Measures, NAC launched a new e-service portal to support the resumption of live busking. The portal was designed to give buskers access to more busking locations. Before the resumption of busking in March 2022, each busker only had access to and could busk at, five fixed allocated busking locations. With the resumption of busking and the launch of the e-service portal, buskers can now busk at more than 70 designated busking locations islandwide.

As part of our efforts to support the busking community and the art of busking, NAC continues to actively work with venue owners to grow the number of busking locations across Singapore. Venue owners include Government agencies such as the Urban Redevelopment Authority (URA), National Parks Board (NParks) and Housing Development Board (HDB) as well as Town Councils, business and merchant associations and commercial property owners.

Of the 70 busking locations, about 30 are located in the city centre, such as Orchard Road and Marina Bay. The rest are spread across neighbourhood towns and parks across the island. To date, busking locations in neighbourhoods like Ang Mo Kio, Hougang and Paya Lebar have been well-utilised by buskers. Four new locations at East Coast Park, Tras Link Park and outside Ngee Ann City were added after busking resumed in March last year.

As our buskers gain greater visibility, more event organisers and venue partners are now looking to showcase buskers at their events.

We will continue to foster greater understanding among buskers, residents, venue partners and property owners, the Government as well as members of the public to support busking and its contribution to our vibrant city.

REPORTS OF UNJUSTIFIED PRICE INCREASE MADE TO COMMITTEE AGAINST PROFITEERING

70 **Mr Melvin Yong Yik Chye** asked the Minister for Trade and Industry (a) how many reports has the Committee Against Profiteering received since the Committee was reconvened in March 2022; and (b) how many of these reports are substantiated.

71 **Ms Tin Pei Ling** asked the Minister for Trade and Industry (a) how many cases of unjustified price increase on the pretext of GST increase have been received by the Committee Against Profiteering since July 2022; (b) since March 2022, how many of these cases have been taken to task eventually; and (c) whether the number of cases is expected to rise with the GST increase going live in January 2023.

Mr Gan Kim Yong: The Committee Against Profiteering (CAP) received 286 feedback submissions from 1 April 2022 to 31 January 2023. Of these, 26 cases involved specific allegations of GST misrepresentation. The CAP followed up on the feedback swiftly by working with partner agencies and organisations on the ground, including the Competition and Consumer Commission of Singapore, the Consumers Association of Singapore (CASE) and the People's Association (PA) to engage the relevant businesses to seek the reasons for the price increases. Thus far, the businesses engaged have been cooperative and have committed to being more transparent about their pricing with consumers. We will continue to monitor the situation closely.

TRAINING FOR OFFICERS WHO ENFORCE ENDANGERED SPECIES (IMPORT AND EXPORT) ACT AND WILDLIFE ACT

72 **Mr Louis Ng Kok Kwang** asked the Minister for National Development (a) what training is provided to officers involved in the enforcement of the Endangered Species (Import and Export) Act 2006 and Wildlife Act 1965; and (b) whether they are trained in species identification.

Mr Desmond Lee: The National Parks Board (NParks) carries out regular training for officers involved in the enforcement of the Endangered Species (Import and Export) Act (ESA) and the Wildlife Act (WA), to ensure that they are well equipped to take on their responsibilities. The training covers the implementation of CITES provisions and Singapore's legislative framework, as well as investigative methods, including the identification of wildlife species regulated under ESA and WA.

NParks also leverages science and technology to support officers involved in the enforcement of these Acts and ensures that they are trained in the use of such tools. For instance, our researchers at the Centre for Wildlife Forensics are trained to use molecular methods such as DNA barcoding to aid in species identification.

Lastly, to keep up with developments in the field and to share best practices, NParks officers attend international conferences and workshops, such as those organised by INTERPOL on combatting wildlife crime. These efforts have helped us to strengthen Singapore's enforcement against wildlife-related offences under ESA and WA.

SAMPLING AND DNA ANALYSIS FOR NON-COMPLIANT SHARK'S FIN SHIPMENTS

73 **Mr Louis Ng Kok Kwang** asked the Minister for National Development what percentage of shark's fin shipments undergo sampling and DNA analysis to ensure that there are no Convention on International Trade in Endangered Species of Wild Fauna and Flora Appendix I species of sharks in the shipment.

Mr Desmond Lee: Under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), wildlife species are listed under three appendices, depending on how threatened or endangered the species are. Appendix I species are threatened with extinction but can be traded under exceptional circumstances. For example, CITES allows Appendix I specimens to be traded for non-commercial purposes such as for scientific research.

Most CITES-listed shark species are in Appendix II, where their survival may be threatened if trade is not regulated. While commercial trade of such species is allowed, all CITES species brought into Singapore must be accompanied by CITES permits in accordance with CITES rules and regulations.

The National Parks Board (NParks) conducts regular inspections on importers, relies on tip-offs from other regulatory agencies and international partners and carries out market surveillance, to identify shark's fin shipments that may not have the necessary CITES permits. Accordingly, our inspection process goes beyond a simple sampling approach. To confirm if these shipments contain CITES-listed species,

frontline officers use an Artificial Intelligence-based mobile application known as the Fin Finder to help them visually identify shark species quickly and accurately. Further DNA testing is then conducted on suspicious shipments at NParks' Centre for Wildlife Forensics.

TREATMENT FOR RECURRENT SPENDING WHEN EXPENSED AS DEVELOPMENT EXPENDITURE VERSUS AS PART OF ONGOING EXPENDITURE

74 Assoc Prof Jamus Jerome Lim asked the Deputy Prime Minister and Minister for Finance whether the Ministry follows any protocol when recurrent spending is expensed as part of development expenditure from designated development funds versus when it is expensed directly as part of ongoing expenditures.

Mr Lawrence Wong: As and when necessary, the Government allocates moneys from the Budget to specific funds to meet our various expenditure commitments. We do this for specific areas of spending where a significant amount of long-term funding is required, like R&D, coastal protection, or major development projects, and it would be prudent to save and set aside monies into these funds from time to time, when the Budget permits.

Accounting-wise, allocations into these funds are expensed in the same manner as direct expenditures from the Government. The annual expenditures from the funds are audited and reported in either the Government Financial Statements or the relevant Statutory Boards' Financial Statements and these statements are presented to Parliament.

POPULAR VOCATION CHOICES AMONGST FULL-TIME NATIONAL SERVICEMEN FOR DEPLOYMENT UNDER PREFERENCE INDICATION SCHEME

75 Mr Abdul Samad asked the Minister for Defence what are the current popular vocation choices indicated amongst full-time National Servicemen for their deployment under the preference indication scheme.

Dr Ng Eng Hen: Under the Vocation Interest Initiative introduced in November 2016, pre-enlistees have been able to indicate their interest in National Service (NS) vocations. Their indicated interest will be an additional factor in determining their vocations during NS, together with other considerations such as suitability, manpower and operational requirements.

More popular vocation choices among the pre-enlistees include air defence, artillery, intelligence, island defence, signals and transport.

PREVALENCE OF AGEIST LANGUAGE IN JOB ADVERTISEMENTS

76 Ms Mariam Jaafar asked the Minister for Manpower whether any review has been done on (i) the prevalence of ageist language in job advertisements and (ii) the impact in any of these advertisements on discouraging older workers from applying.

Dr Tan See Leng: The Ministry of Manpower (MOM) conducts regular surveys to measure the prevalence of workplace discrimination based on the lived experiences of our employees and jobseekers. We have not specifically reviewed the prevalence and impact of ageist language in job advertisements. However, we do track complaints in this area. Between 2018 and 2022, the Tripartite Alliance for Fair and Progressive Employment Practices (TAFEP) received an average of 49 complaints per year on age-related discriminatory job advertisements. Such job advertisements are unacceptable as they deny jobseekers of fair opportunities.

All employers are to abide by the Tripartite Guidelines on Fair Employment Practices (TGFE), which set out accepted standards of fair and merit-based employment. As laid out in TGFE, words or phrases that suggest a preference for job candidates of a particular age group should not be used in job advertisements unless there is a sound justification. MOM has taken enforcement action against employers for placing job advertisements that discriminate based on age or show an unjustified preference for a particular age group.

Jobseekers who encounter discriminatory job advertisements can approach TAFEP for advice and assistance.

EXPECTED TOURIST ARRIVALS AND MANPOWER ADEQUACY TO COPE WITH INCREASE

77 Mr Liang Eng Hwa asked the Minister for Trade and Industry (a) what is the expected number of tourist arrivals in the next three years; (b) whether the Ministry expects any change in the mix of tourist arrivals; and (c) whether Singapore's manpower resource is adequate to cope with any increase in tourist arrivals.

Mr Gan Kim Yong: Singapore's tourism sector recovered strongly in 2022. With increasing flight capacity and connectivity, we expect international visitor arrivals (IVA) to reach 12 to 14 million visitors in 2023, or about 70% of pre-pandemic levels. Along this trend, we expect IVA to return to pre-pandemic levels of about 19 million as early as 2024. Tourist arrivals will depend on the prevailing economic conditions and other factors, such as border-related policies.

In 2022, our top source markets for international visitors were largely similar to that prior to the COVID-19 pandemic, with the exception of China. In the next three years, we expect Asia-Pacific markets to be our main sources of international visitor arrivals, with China joining them as it continues reopening. We also expect to continue to appeal to key visitor segments such as families and business travellers, given our commitment to and reputation for safe travel and the wide range of events we offer to both leisure and business travellers. We are also positioning ourselves to capture emerging market segments like wellness and sustainability.

To meet this growing demand, our tourism sector has increased hiring. Our total tourism workforce was around 65,000 as of September 2022, which was about 78% of 2019 levels. We will continue to support our tourism sector's hiring efforts and attract and retain workers through our job redesign and upskilling programmes. For instance, our Tourism Careers Hub, a joint initiative by our Singapore Tourism

Board (STB) and NTUC, has placed more than 500 workers in our tourism sector since its launch in 2022 by providing career coaching, skills upgrading and job matching. We also encourage our tourism businesses to use technology to raise productivity and pursue manpower-lean business models.

POPULARITY OF COMMUNITY CARE APARTMENTS OR SENIOR-FRIENDLY PUBLIC FLATS THAT ARE COMBINED WITH CARE SERVICES

78 Mr Shawn Huang Wei Zhong asked the Minister for National Development given the ageing local population (a) what are the measures taken to ensure that there will be sufficient Community Care Apartments or senior-friendly public flats that are combined with care services; (b) how many of such flats will be completed in 2023 and 2024; and (c) what is the current waiting time for these flats upon successful application by the seniors.

Mr Desmond Lee: The Community Care Apartments (CCAs) are a new initiative that expands the continuum of housing-cum-care options for seniors. CCAs integrate senior-friendly design features with care services that can be personalised as seniors' needs evolve. The care services and social programmes offered will cater to seniors across a wide range of care needs and enable seniors to age-in-place independently within the community.

We have launched two CCA pilot projects so far, at Bukit Batok and Queenstown. Both sites are still under construction, and will yield a total of about 410 units when completed. The first CCA pilot at Bukit Batok is estimated to be completed in 2024, while the second CCA pilot at Queenstown is expected to be completed in 2028. The current expected waiting times for these flats from the median month of flat selection to expected completion are about 35 and 59 months respectively.

The public response to CCAs has been positive. We are studying the feedback received as we develop the longer-term plans for CCAs and will share more when ready.

Apart from CCAs, seniors may also consider other housing and care options. For seniors who prefer to continue living in their current homes, they can tap on centre-based and home care services. HDB's Home Improvement Programme (HIP) and Enhancement for Active Seniors (EASE) Programme have also helped about 280,000 households in making their homes more elderly-friendly. For those who are looking to right-size, they can choose to buy a 2-room flexi flat on a shorter lease. Some of these flats are located close to eldercare facilities. For seniors with higher care needs, they can consider nursing homes.

The Government will continue to study options to augment the range of housing and care options available to seniors depending on their care needs, income and level of family support.

PREVALENCE AND DETECTION OF ILLEGAL VEHICLE MODIFICATIONS

79 Mr Saktiandi Supaat asked the Minister for Transport (a) in the past five years, how many cases of illegal vehicle modifications have pertained to (i) motorcycles (ii) passenger cars (iii) light goods vehicles (iv) heavy vehicles and (v) any other vehicles respectively; and (b) of which, how many cases are detected by (i) routine vehicular inspections (ii) enforcement by LTA officers and (iii) any other methods respectively.

Mr S Iswaran: From 2018 to 2022, there was on average of around 2,000 illegal modification offences by motorcycles, around 3,600 offences by passenger cars and about 2,200 offences by commercial vehicles. As illegal modifications are not differentiated by the weight class of commercial vehicles, this last category includes both light and heavy goods vehicles. All of these offences were detected through the Land Transport Authority (LTA)'s regular enforcement patrol.

There is no discernible trend over the years, except that the number of illegal modification offences detected across the board dropped in 2020 due to lower overall vehicular traffic during COVID-19.

Besides enforcement, there are other measures to deter illegal modifications. All vehicles are required to undergo regular inspections; if vehicles have been modified and do not meet inspection standards, they will need to make the necessary rectifications and have their vehicles re-inspected. Owners of vehicles that fail to pass the inspections will not be able to renew their road tax and use their vehicles on our roads. LTA has also recently increased the composition sum for first-time offenders who conduct illegal exhaust modifications which have the highest safety risks, from \$500 to \$1,000. Offenders of more egregious cases can be taken to Court, even if they are first-time offenders.

PREVALENCE OF TRAFFIC ACCIDENTS OCCURRING ON EXPRESSWAYS

80 Mr Liang Eng Hwa asked the Minister for Home Affairs (a) in each of the last five years, what is the number of traffic accidents occurring on expressways; (b) how can the number of such traffic accidents be reduced; and (c) in the event of an accident along the expressway, how can the impact on other motorists caused by the traffic jams be minimised.

Mr K Shanmugam: The number of traffic accidents on expressways that involved injuries or deaths was 1,752 in 2018. This figure rose to 1,889 in 2019 and fell to 1,039 in 2020 and 1,155 in 2021, in line with the overall decrease in traffic during the pandemic. As economic and social activities resumed, the figure increased to 1,687 in 2022.

The Traffic Police do not track traffic accidents that do not involve injuries or deaths.

The vast majority of traffic accidents occurring on expressways are attributed to driving and riding behaviour, for example, failing to keep a proper lookout and failing to have proper control of the vehicle. The Traffic Police thus focuses on educating and engaging all motorists to follow traffic rules and adopt good driving or riding practices.

In the event of a traffic accident along an expressway, the Traffic Police will work with the Land Transport Authority (LTA) to divert and manage traffic flow. Affected road users should follow the instructions of the officers and use alternative roads where possible.

STREAMLINING PROCESSES FOR APPLICATIONS TO INCREASE OCCUPANCY CAP

81 **Ms Mariam Jaafar** asked the Minister for National Development whether the process for applying for an increase in occupancy cap for HDB flats can be streamlined for situations where a tenant occupying a room by himself or herself would like to bring in a related tenant, for example, due to marriage.

Mr Desmond Lee: Flat owners must seek HDB's approval before renting out their flat or bedroom(s). They must also register their tenants with HDB and comply with the occupancy cap and other terms and conditions. The occupancy cap, set at four persons for 1- and 2-room flats and six persons for 3-room and larger flats, serves to minimise the potential disamenities caused by overcrowding in our public housing estates and maintain a conducive living environment for all residents.

As long as the total number of occupants complies with the occupancy cap, HDB will approve flat owners' requests to include additional tenants, such as the spouse or other next-of-kin of an existing tenant. Owners will be requested to provide the relevant supporting documents for HDB's verification. The occupancy cap does not apply if all the tenants renting a whole flat are from the same family unit.

Requests to exceed the occupancy cap are assessed on a case-by-case basis. For flat owners in extenuating circumstances such as financial hardship, HDB may consider exercising flexibility and allow a temporary increase in occupants.

ENCOURAGING USE OF SURVEILLANCE TECHNOLOGIES BY RELIGIOUS ORGANISATIONS

82 **Ms Joan Pereira** asked the Minister for Home Affairs whether there are plans to work with religious organisations to adopt greater use of technologies in the monitoring and surveillance of their premises.

Mr K Shanmugam: The Police engage community stakeholders, including religious organisations, on crime prevention and security awareness as part of their community engagement efforts.

Religious organisations are members of local Safety and Security Watch Groups (SSWGs). The Police conduct crime risk assessments on premises together with building managers and give advice on crime prevention measures. This may include the adoption of useful technologies to enhance their security measures and help Police in investigations, such as the installation of CCTV cameras.

The Ministry of Home Affairs (MHA) and the Ministry of Culture, Community and Youth (MCCY) will continue to work together with our stakeholders on crime prevention and security awareness.

PRIMARY AND SECONDARY SCHOOLS SUPPORTED BY ROVING STUDENT WELFARE OFFICERS

83 **Mr Louis Ng Kok Kwang** asked the Minister for Education (a) how many (i) primary and (ii) secondary schools are supported only by roving student welfare officers (SWO); and (b) in each of the past five years, what is the total number of primary and secondary school students supported by the roving SWOs.

Mr Chan Chun Sing: Student welfare officers (SWOs) support students who are absent from school for prolonged periods of time, those with brushes with the law and under probation, or under child protection. Roving SWOs were introduced in 2022 to serve schools without a school-based SWO and with a lower level of such needs. In 2022, there were seven roving SWOs supporting some 100 students across 40 primary and secondary schools.

ADDRESSING ISSUE OF SIGMA LIFTS INSTALLED IN PUBLIC HOUSING ESTATES BREAKING DOWN DESPITE MAINTENANCE

84 **Ms Tin Pei Ling** asked the Minister for National Development (a) what is the total number of Sigma brand lifts installed in our public housing estates; (b) how has Sigma performed in lift maintenance and service follow-ups since the tender restriction imposed on Sigma was lifted in 2020; and (c) for Sigma lifts that were installed in public housing estates and which keep breaking down despite obligatory maintenance, how will the Ministry take the company to task and will the Ministry consider increasing the budget to replace these lifts earlier.

Mr Desmond Lee: There are currently 3,218 Sigma brand lifts installed in public housing estates.

As lift owners, Town Councils are responsible for the maintenance and replacement of lifts in HDB estates. Today, the Government already provides a 50% matching grant for every dollar contributed by Town Councils to their Lift Replacement Fund (LRF), which is ring-fenced for lift replacement expenditures. The tender restriction on Sigma was lifted in October 2020 as the performance of Sigma lifts has improved and is comparable with lifts in other public housing estates. Hence, there may not be a need for such lifts to be replaced earlier.

Town Councils can work closely with their respective lift maintenance contractors to identify the root causes of lift breakdowns and address them proactively. Nevertheless, if the Member has any specific feedback to raise regarding the performance of Sigma lifts in her constituency, please surface them to HDB and we can take a closer look.

MOTORCYCLES BOUGHT AND RENTED BY MALAYSIAN WORK PASS HOLDERS

85 **Mr Saktiandi Supaat** asked the Minister for Transport (a) how many motorcycles have been (i) purchased and (ii) rented by Malaysian work pass holders over the past five years; and (b) whether there has been a change in trend in this segment of the motorcycle demand.

Mr S Iswaran: On average, about 2% of motorcycles registered in Singapore were owned by Malaysian work pass holders over the past five years and there has been no discernible trend over the years. The Government does not track and collect data on rental of motorcycles.

WRITTEN ANSWERS TO QUESTIONS

KEPPEL OFFSHORE & MARINE CORRUPTION PROBE AND SINGAPORE COMPANIES INVESTIGATED FOR CORRUPTION IN FOREIGN JURISDICTIONS

1 **Ms He Ting Ru** asked the Prime Minister in each of the last five years (a) whether the Government has records of how many Singapore companies have been (i) investigated and (ii) found guilty of offences under foreign legislation such as the United Kingdom's Bribery Act or other equivalents; and (b) if so, what is the breakdown of such figures.

2 **Ms Hazel Poa** asked the Prime Minister whether the decision by CPIB to issue stern warnings to the former staff of Keppel Offshore & Marine Limited involved in bribe payments instead of prosecuting them was a unanimous one and whether there were dissenting views within CPIB; and (b) if so, what are those views.

3 **Ms Hazel Poa** asked the Prime Minister whether examples of other similar cases of corruption where only warnings were issued can be provided for comparison.

Ms Indranee Rajah (for the Prime Minister): These questions have been addressed in the reply to Question Nos 23 to 39 for Oral Answer on the Order Paper for 6 February 2023. [*Please refer to "Findings from Keppel Offshore & Marine Corruption Probe", Official Report, 6 February 2023, Vol 95, Issue 81, Oral Answers to Questions section.*]

DEFINITION OF "OPTIONAL ENRICHMENT PROGRAMME" FOR CHILD DEVELOPMENT ACCOUNT USAGE

4 **Assoc Prof Jamus Jerome Lim** asked the Prime Minister (a) what are the criteria used to determine whether a programme is regarded as an "optional enrichment programme" for the purposes of Child Development Account usage; and (b) whether after-school care programmes, especially those based within schools that have a substantial extended educational component, may be reconsidered as a form of approved expense.

Ms Indranee Rajah (for the Prime Minister): The Child Development Account (CDA) supports parents in child raising and parents can use CDA funds to defray healthcare and educational costs, including preschool fees.

In planning their curriculum, preschools are required to take reference from national frameworks approved by the Early Childhood Development Agency (ECDA), to create quality learning experiences that are holistic and developmentally appropriate for children. We want to safeguard the use of CDA funds for fees covering the preschool curriculum and other associated expenses such as uniforms and books. Hence, they cannot be used for optional enrichment programmes offered on top of the preschool curriculum.

With regard to after-school care programmes, parents have given feedback that it would be helpful if CDA funds could be used for Student Care Centre (SCC) expenses. We are considering this carefully and will provide an update in due course.

Other forms of financial support are available for low-income families who require assistance with SCC expenses for their children. The Ministry of Social and Family Development (MSF) provides them with monthly subsidies of up to 98% of student care fees, up to a maximum amount of \$290 per month and a one-off grant of up to \$400 to offset enrolment costs.

TRAVEL ADVISORIES TO EQUIP SINGAPOREANS WITH LIFE-SAVING TECHNIQUES AND TIPS WHEN OVERSEAS

5 **Ms Joan Pereira** asked the Minister for Foreign Affairs what additional measures beyond travel advisories are available to help Singaporeans equip themselves with life-saving techniques and tips during their overseas trips.

Dr Vivian Balakrishnan: Prior to their overseas trips, Singaporeans should monitor developments in the countries they are travelling to, especially if there are events that can affect their personal safety. Besides travel advisories, Singaporeans should check for other travel-related information on the Ministry of Foreign Affairs (MFA) website such as the contact details of the nearest Singapore Overseas Mission and the local emergency services. Singaporeans can reach out to the 24/7 MFA Duty Office if they require consular assistance and advice while overseas.

Singaporeans are strongly encouraged to e-register with MFA before going overseas. This will enable MFA to reach out to them to check on their safety and provide consular assistance in the event there is an emergency or natural disaster. Singaporeans should pay attention to unfamiliar weather and driving conditions, make adequate preparations for the activities pursued and purchase comprehensive travel insurance that includes emergency medical care and evacuation.

DATA ON SEXUAL ASSAULT CASES INVOLVING MINORS

6 **Mr Leon Perera** asked the Minister for Home Affairs in each of the past five years (a) what percentage of sexual assault cases have involved minors under the age of 16; (b) how many cases of sexual assault involving minors under the age of 16 are reported to the Police; (c) how many cases of sexual assault involving minors are committed by family members or relatives; and (d) how have these victims of sexual assault been supported.

Mr K Shanmugam: Between January 2018 and November 2022, there were 11,868 reports of sexual assault, which includes rape, sexual assault by penetration, outrage of modesty and sexual offences involving children and vulnerable victims. The yearly breakdown of the figures is as follows:

	2018	2019	2020	2021	January - November 2022	Total
Number of Sexual Assault Cases	2414	2409	2212	2459	2374	11868
Number of Sexual Assault Cases involving at least one victim under the age of 16	850	885	940	1034	868	4577
Number of Sexual Assault Cases involving at least one victim under the age of 16, allegedly committed by family members or relatives	156	153	186	247	190	932

The Police work with social service agencies to provide victims with counselling support and interventions during and after investigations. Throughout the course of investigations, if the victim consents, Police can activate volunteers under the Victim Care Cadre Programme (VCCP) to provide emotional support. The Police also refer sexual assault victims to Care Corner Project StART, a family violence specialist centre which provides support to victims of violence, to augment the support provided under VCCP.

A Sexual Crime and Family Violence Command will be set up by 2023 to provide more support to victims of sexual crime and family violence. The existing One-Stop Abuse Forensic Examination Centre will also have an added dedicated victim care area to enhance privacy and convenience for sexual crime victims during investigation processes.

DATA ON DIGITAL FILES REVIEWED FOR COMPLEX AND HIGH DOLLAR VALUE WHITE-COLLAR CRIME CASES

7 **Mr Murali Pillai** asked the Minister for Home Affairs in relation to complex and high dollar value white-collar crime cases investigated by the Commercial Affairs Department (CAD) in the past five years (a) what is the average number of digital files that had to be reviewed for each case for the purpose of investigation; and (b) what investments in technology have been made to provide CAD officers with better tools to sort out digital material in accordance with relevancy, sensitivity and disclosure obligations under the Criminal Procedure Code 2010 and common law.

Mr K Shanmugam: The Police do not keep track of the number of digital or physical files that were reviewed for the purpose of investigation.

To assist officers in investigation, the Police employ a suite of technological solutions. One example is the Digital Forensic Kiosk, which was implemented in 2020. This has enabled investigation officers to retrieve and analyse information from digital devices more easily.

OUTCOME OF WHITE-COLLAR CRIME CASES INVOLVING \$4.49 BILLION INVESTIGATED BY POLICE FROM 2017 TO 2021

8 **Mr Murali Pillai** asked the Minister for Home Affairs in relation to the 18,700 cases of white-collar crime that the Police investigated involving a total subject matter value of about \$4.49 billion from 2017 to 2021 (a) what is the cumulative dollar value of assets that the Police have recovered; and (b) how much of this amount has been returned to the victims of such crimes.

Mr K Shanmugam: Police do not track the cumulative dollar value of assets recovered and the amount returned to the victims.

LESSONS FROM FIRE RESCUE ACCESS DELAY ON 8 DECEMBER 2022 DUE TO BLOCKAGE BY FUNERAL WAKE TENTAGE AT HENDERSON ROAD

9 **Mr Dennis Tan Lip Fong** asked the Minister for Home Affairs in light of the reported delay of 18 minutes in accessing the fire incident site at Henderson Road on 8 December 2022 due to the blockage caused by a funeral wake tentage, whether the SCDF will be sharing with all funeral companies and Town Councils relevant details of the blockage and all lessons therefrom so that all stakeholders will benefit from the lessons learnt and avoid the risk of recurrence.

Mr K Shanmugam: The Singapore Civil Defence Force (SCDF) conducts biannual dialogues with Town Councils to share fire safety-related matters such as common fire infringements observed and case studies on fire incidents at residential premises. Whenever a fire occurs at residential premises, SCDF also disseminates fire safety advisories to all Town Councils so that necessary measures can be taken to minimise any recurrence.

At the latest SCDF-Town Councils dialogue held on 12 January 2023, SCDF shared the fire safety non-compliances detected during the fire at Henderson Road. In fact, areas that need to be kept free of obstructions are already clearly marked out on the ground and this should have been complied with. The Town Council involved has taken action against the funeral company, as the breach was avoidable.

SCDF will continue to work with Town Councils to ensure fire safety compliance among users of common property under their charge, such as contractors and funeral companies.

PREPAREDNESS OF CONGREGANTS AND STAFF OF RELIGIOUS INSTITUTIONS IN SCENARIOS INVOLVING HAZARDOUS SUBSTANCES

10 **Mr Zhulkarnain Abdul Rahim** asked the Minister for Home Affairs in light of recently reported incidents of unknown substances scattered or splashed on certain religious institutions, what are the measures in place to help safeguard the security and increase the awareness and preparedness of congregants and staff of our religious institutions, particularly in response to scenarios concerning chemical or potentially hazardous substances.

Mr K Shanmugam: The Police engage community stakeholders, including religious organisations, on crime prevention and security awareness as part of their community engagement efforts.

Religious organisations are members of local Safety and Security Watch Groups (SSWGs). The Police conduct crime risk assessments on premises together with building managers and give advice on crime prevention measures. This may include the adoption of useful technologies to enhance their security measures, such as the installation of CCTV cameras. The Police also organise training, seminars and workshops for SSWG members. At these sessions, industry speakers and relevant agencies share best practices on topics such as building safety and security, psychological resilience, emergency preparedness and business continuity planning.

The Ministry of Culture, Community and Youth (MCCY) helps religious organisations build their crisis response capacity as part of the SGSecure movement. Efforts include the dissemination of a security advisory booklet specially tailored for religious and community organisations. The security advisory booklet covers a broad range of issues from identifying security threats, planning for crisis management, to responding to various security scenarios. The scenarios include threats from chemical or hazardous substances.

MCCY encourages religious organisations to assess their crisis readiness and identify operational gaps by completing a self-assessment checklist. The Police also conduct ground deployment exercises with stakeholders, such as religious organisations, to validate their contingency response plans and ensure their readiness in the event of emergencies.

The Ministry of Home Affairs (MHA) and MCCY will continue to work together with our stakeholders to increase the crisis preparedness of religious organisations.

REPORTS OF BUSINESSES USING GST INCREASE AS PRETEXT FOR PRICE INCREASES AND MEASURES TAKEN

11 **Dr Wan Rizal** asked the Minister for Trade and Industry (a) whether the Committee Against Profiteering has received cases of businesses using the Goods and Services Tax (GST) increase as a pretext for any increase in prices beyond the GST rate change; and (b) if so, what measures have been taken.

Mr Gan Kim Yong: The Committee Against Profiteering (CAP) received 286 feedback submissions from 1 April 2022 to 31 January 2023. Of these, 26 cases involved specific allegations of Goods and Services Tax (GST) misrepresentation. CAP followed up on the feedback swiftly by working with partner agencies and organisations on the ground, including the Competition and Consumer Commission of Singapore (CCCP), the Consumers Association of Singapore (CASE) and the People's Association (PA) to engage the relevant businesses to seek the reasons for the price increases. Thus far, the businesses engaged have been cooperative and have committed to being more transparent about their pricing with consumers. We will continue to monitor the situation closely.

TRAINING FOR PUBLIC TRANSPORT STAFF AND DRIVERS ON ACCOMMODATING PASSENGERS WITH DISABILITIES

12 **Ms Joan Pereira** asked the Minister for Transport what measures are in place to (i) ensure that all public transport operators provide adequate training to familiarise their staff and drivers with the rules and regulations to accommodate passengers with different types of disabilities and (ii) ensure that call centres and helplines are adequately staffed.

Mr S Iswaran: All public transport operators (PTOs) have training programmes, developed in consultation with various social service agencies, to equip their staff with the skills to look out for and assist commuters with disabilities, including those with invisible conditions. The "May I Have A Seat Please" identifier is an initiative that also helps staff look out for and assist commuters in need when required. Furthermore, PTOs often share updates on commuter inclusivity to all staff through their communication channels to reiterate its importance.

Since 2016, training on commuter inclusivity has been included as part of the Enhanced Vocational Licence Training Programme conducted by the Singapore Bus Academy. All bus captains (BCs) undergo this training and over 6,450 BCs have graduated from the programme. Training materials are regularly reviewed based on feedback received from public and various social service agencies. In addition, the Land Transport Authority works with PTOs to ensure that the Bus Operation Control Centre staff are trained to advise BCs on how to assist commuters with disabilities if BCs require advice on the job.

PTOs' customer service hotlines are fully manned during the hotlines' operating hours, and appropriate levels of manpower are planned for peak periods. PTOs also have in place other contingencies, such as training existing employees to answer hotlines when required, providing alternative channels for feedback and the option to leave a message for a return call.

REGULAR PAST-MIDNIGHT PUBLIC TRANSPORT SERVICES TO BENEFIT LATE SHIFT WORKERS AND ENTERPRISES

13 **Mr Leon Perera** asked the Minister for Transport whether the Ministry will consider providing public transport services past midnight on regular occasions, such as MRT and bus services on weekends so as to benefit late shift food and beverage (F&B) workers and enterprises, the F&B sector and night economy, as is being pursued in some other global cities.

Mr S Iswaran: Public transport services currently operate almost 18 hours daily, including on weekends and public holidays. In deciding whether to further extend these services, we need to strike a balance between meeting travel demand versus keeping the cost of public transport affordable for the majority of commuters and taxpayers.

Night bus services were provided in the past on Fridays, Saturdays and eves of public holidays. However, the ridership was low, even prior to the COVID-19 pandemic. The average loading level even during the busiest hour was only 13%, which was far below that of regular bus services.

The same consideration will apply to train services. In addition, we need to allow time for regular maintenance every night, outside operating hours, to ensure our trains run smoothly.

The Land Transport Authority (LTA) will continue to monitor ridership demand after regular public transport operating hours and make adjustments where necessary, while paying careful attention to public transport operating costs. We are open to proposals from commercial operators who wish to provide after-hours services for certain locations and routes. For example, LTA has approved a trial by a private bus operator to run two night bus services from end-January 2023.

NUMBER OF MALAYSIAN REGISTERED MOTORCYCLES APPROVED FOR RIDING IN SINGAPORE

14 **Mr Abdul Samad** asked the Minister for Transport what is the current number of Malaysian registered motorcycles that have been approved by the Land Transport Authority for riding in Singapore.

Mr S Iswaran: Malaysia-registered motorcycles require a valid Vehicle Entry Permit (VEP), Autopass card and insurance to cover third-party death or bodily injury to be used in Singapore.

As of January 2023, there were about 100,000 Malaysia-registered motorcycles with valid VEPs. About half the number enter Singapore on each weekday.

REASONS FOR CONTINUED INCREASE IN ARMED ROBBERY CASES ONBOARD COMMERCIAL VESSELS IN SINGAPORE STRAIT

15 **Mr Dennis Tan Lip Fong** asked the Minister for Transport (a) what are the likely reasons for the continuing increase in the number of armed robbery cases onboard commercial vessels in the Singapore Strait in 2022; and (b) whether any new measures have been taken by the Government on its part or in conjunction with neighbouring countries in the past year to stem the increase of such cases or to minimise their occurrence.

Mr S Iswaran: In 2022, there were 55 reported sea robbery incidents in the Strait of Singapore, which includes the territorial waters of Singapore, Malaysia and Indonesia. This was an increase from 49 incidents reported in 2021. Similar to previous years, most of the incidents in 2022 occurred outside Singapore's territorial waters. Most involved petty thefts of items such as engine spares and ship stores.

As the Strait of Singapore includes the territorial waters of Malaysia and Indonesia, Singapore works closely with both countries on initiatives such as coordinated patrols and information-sharing to combat sea robberies.

Singapore has also been playing a pivotal role in international cooperation to combat piracy and sea robbery, such as through the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP). In addition, the Republic of Singapore Navy (RSN) has hosted the Information Fusion Centre (IFC) since 2009, which shares real-time information on maritime security incidents with authorities of neighbouring countries through their deployed International Liaison Officers and other operational channels.

INSTALLATION OF PASSENGER LIFTS TO PEDESTRIAN OVERHEAD BRIDGES ALONG HOUGANG AVENUE 3

16 **Ms Sylvia Lim** asked the Minister for Transport regarding the prioritisation of pedestrian overhead bridges (POBs) for the installation of passenger lifts (a) whether the Land Transport Authority (LTA) should consider the demographic profile of the population in the vicinity, including the density of senior citizens and presence of senior citizen housing as relevant; and (b) whether LTA can prioritise the inclusion of the remaining non-lift POBs along Hougang Avenue 3 into its lift installation programme.

Mr S Iswaran: To ensure that limited public funds are optimally utilised to benefit more people and those who need the facility more, the retrofitting of lifts at pedestrian overhead bridges (POBs) are prioritised based on two key considerations: first, the number of seniors and commuters with mobility challenges that will benefit from the lifts; and second, whether the lifts will facilitate barrier-free access by connecting these commuters to public transport nodes and healthcare institutions.

Based on these criteria, the Land Transport Authority (LTA) has retrofitted the POB near Block 2 of Hougang Avenue 3 with lifts in 2018, as it would serve a high number of senior residents and those visiting the eldercare facility in the vicinity. The seven remaining POBs along Hougang Avenue 3 will be included in LTA's future reviews. Four of them will be accorded higher priority than the other three which are located within an industrial estate and would serve a low number of seniors.

NUMBER OF LORRIES APPROVED TO FERRY PASSENGERS AND EXPIRATION OF THEIR COES

17 **Mr Melvin Yong Yik Chye** asked the Minister for Transport (a) what is the current number of lorries approved to ferry passengers; and (b) in which years will the Certificate of Entitlement of these lorries expire within the next 10 years.

Mr S Iswaran: As at 31 December 2022, there were about 50,000 registered lorries. All lorries can be used to ferry workers in the passenger cabin. Lorries used to ferry workers on the rear deck are a subset of this number and need to meet additional requirements, such as having canopies, higher protective side railings, and rain covers. The Land Transport Authority (LTA) does not track the number of lorries that are actively used to ferry workers on the rear deck.

About 34,000, or two-thirds, of lorries have Certificates of Entitlement (COEs) expiring within the next five years, while the remaining have COEs expiring in the next five to 10 years. Owners may choose to renew their vehicles' COEs up to the end of the statutory lifespan of 20 years.

PROPOSAL TO MAKE PRINCIPLES OF ACCOUNTS A COMPULSORY SUBJECT FOR UPPER SECONDARY STUDENTS

18 **Mr Don Wee** asked the Minister for Education whether Principles of Accounts can be made a compulsory subject for all upper secondary students so as to improve Singaporeans' financial literacy going forward.

Mr Chan Chun Sing: Principles of Accounts (POA) is an elective subject offered at the upper secondary level. While the POA curriculum covers transferable skills such as analysing accounting and non-accounting information for decision-making, which students can apply in their daily lives to make sound financial decisions, the subject may appeal more to students with a particular interest in accounting topics. It is not necessary to make POA a compulsory subject just to equip students with basic financial literacy.

Financial literacy is already infused into subjects such as Character and Citizenship Education (CCE), Social Studies (SS) and Food and Consumer Education (FCE) that are taken by all students. In primary school, students are taught foundational concepts such as the value of thrift and spending within one's means in CCE lessons. Secondary school students are guided to become responsible and discerning consumers through simple financial planning and responsible use of credit in FCE. In SS, students learn about the need to manage trade-offs and the importance of individual responsibility in meeting the needs of individuals and society.

The Ministry of Education (MOE) will continue to review the curriculum and subject offerings in schools to ensure all students are equipped with basic financial literacy.

BREAKDOWN OF GRADES RECEIVED BY OFFICERS WHO LEFT EDUCATION SERVICE IN LAST FIVE YEARS

19 **Mr Louis Ng Kok Kwang** asked the Minister for Education among the officers who have left the Education Service in the last five years, what is the number of E, D, C-, C, C+, B and A grades last received by these officers, respectively.

Mr Chan Chun Sing: Over the past five years, the profile of teachers who had resigned from the Education Service shows a performance profile that was generally weaker than those who are in-service, with about 8% of them in the D or E performance grades.

ENSURING INTEGRITY OF ONLINE EXAMINATIONS AND ASSIGNMENTS GIVEN AVAILABILITY OF ARTIFICIAL INTELLIGENCE TECHNOLOGIES

20 **Mr Melvin Yong Yik Chye** asked the Minister for Education with the advent of ChatGPT and other artificial intelligence technologies readily available to students of all levels, what safeguards will schools and educators put in place to ensure the integrity of online examinations and assignments.

Mr Chan Chun Sing: As with any technology, ChatGPT and similar generative artificial intelligence (AI) tools present both opportunities and challenges for teaching and learning. When used judiciously, these tools can help teachers in the planning and delivery of lessons and can support students in their learning. While there is potential for students to misuse these tools, schools and Institutes of Higher Learning (IHLs) have adopted a range of practices that help to guard against the misuse of AI technology for academic cheating.

First, students are reminded that there are clear rules and regulations pertaining to dishonesty and plagiarism in schools and IHLs and that there are consequences for breaching any of the stipulated rules and regulations.

In schools, students sit for online examinations in a supervised environment using a secured network environment with features that prevent students from accessing unauthorised materials. In IHLs, students required to take examinations online are supervised remotely to prevent use of other tools.

In their daily work, students are taught the importance of integrity and the harmful impact and consequences of plagiarism. In addition, through daily interactions with students and from using multiple modes of assessment, teachers are able to gauge students' proficiency and detect uncharacteristic responses that could be AI-generated.

Our schools and IHLs will continue to remind their students of the importance of academic integrity and to equip schools to safeguard the integrity of assessments and assignments. Our approaches will evolve as we adapt to the use of new AI tools.

UPDATE ON COMMUNITY GUARDIAN APP GIVEN LAUNCH OF NATIONAL ANTI-VIOLENCE AND SEXUAL HARASSMENT HELPLINE

21 **Mr Zhulkarnain Abdul Rahim** asked the Minister for Social and Family Development (a) whether there is any update on the Community Guardian app piloted in June 2020 and supported by IMDA for the reporting of domestic violence cases and dispatching of social worker assistance; and (b) whether the app will be integrated with the National Anti-Violence and Sexual Harassment Helpline and other similar resources.

Mr Masagos Zulkifli B M M: The Community Guardian App was discontinued in December 2022. The usage since its launch was low. Instead, the Ministry of Social and Family Development (MSF) has launched an online text-based channel, accessible via MSF's website and <https://go.gov.sg/navh>, as an additional mode of reporting for the National Anti-Violence and Sexual Harassment Helpline to make it easier for persons to report violence and seek help early.

RECOGNITION OF EARLY CHILDHOOD EDUCATION QUALIFICATIONS OBTAINED FROM FOREIGN INSTITUTIONS

22 **Assoc Prof Jamus Jerome Lim** asked the Minister for Social and Family Development what considerations does the Ministry apply for the Early Childhood Development Agency to recognise educational qualifications obtained from foreign institutions, without the need to do a conversion course or take the Early Childhood Education diploma course.

Mr Masagos Zulkifli B M M: To ensure Early Childhood (EC) educators have the requisite professional, academic and language requirements to teach and care for our preschoolers, the Early Childhood Development Agency (ECDA) establishes minimum educational qualifications.

ECDA also approves local EC training courses that meet our standards. For foreign qualifications, ECDA will assess the coverage and relevance of the course modules to ensure they meet our certification requirements. Those who fully meet ECDA's requirements will be certified without the need for additional training. However, those who do not may be required to undertake stipulated training before they can be certified as EC educators.

UPTAKE IN APPLICATIONS FOR LASTING POWER OF ATTORNEY AND PROPORTION OF ONLINE APPLICATIONS MADE

23 **Ms Mariam Jaafar** asked the Minister for Social and Family Development since the launch of the Office of the Public Guardian Online (a) what has been the uptake in applications for Lasting Power of Attorney (LPA); and (b) what proportion of LPA applications are made online.

Mr Masagos Zulkifli B M M: The Office of the Public Guardian received more than 10,600 applications since the launch of OPG Online (OPGO) on 14 November 2022, up to 31 January 2023. This is 45% higher when compared to a similar period one year ago.

Of these, eight out of 10 were made online. The hard copy applications received during this period were LPA applications that were certified before the launch of OPGO, but such applications are expected to decline.

MEASURES TO CURB RISE IN VAPING

24 **Dr Wan Rizal** asked the Minister for Health what measures have been put in place by the Government to curb the rise in illegal vaping in Singapore.

Mr Ong Ye Kung: The Ministry of Health (MOH) takes a multi-pronged approach to curb the illicit sales and use of e-vaporisers.

The Health Sciences Authority (HSA) monitors illicit sales of e-vaporisers via social media and messaging platforms and regularly carries out operations to target sales of e-cigarettes on these platforms. HSA also collaborates with platforms such as Instagram, Facebook and Carousell to remove postings on the illegal sales of such products. The Immigration and Checkpoints Authority (ICA) assists to detect illegal imports of e-vaporisers at the checkpoints and refers them to HSA for enforcement.

The enforcement activities are complemented by public education efforts by HSA to deter the public from vaping. In schools, MOH and the Health Promotion Board (HPB) work with the Ministry of Education (MOE) to raise awareness on the harms of vaping and encourage children and youths to lead a nicotine-free lifestyle. Schools take a serious view of vaping and school-based disciplinary action is also taken for students caught using or possessing e-vaporisers, including suspension or caning for boys.

HPB will also be launching a digital campaign on staying vape-free in early 2023 to raise awareness on the negative health effects of vaping and address the misconceptions around vaping.

UPDATE ON STAFF WELL-BEING COMMITTEE'S WORK RELATING TO NURSES

25 **Mr Louis Ng Kok Kwang** asked the Minister for Health in respect of the work of the cross-cluster Staff Well-being Committee relating to nurses (a) how is the Ministry monitoring the effectiveness of initiatives introduced, such as the system changes implemented by Chief Wellness Officers, counselling services, peer-support networks and staff support assistance plans; (b) what feedback has been provided to the Ministry on policy changes to improve the well-being of nurses; and (c) what steps has the Ministry taken on the policy feedback provided.

Mr Ong Ye Kung: As shared with Mr Louis Ng during the 2 August 2022 Parliament Sitting, the cross-cluster Staff Well-being Committee was formed in 2019 for the public healthcare clusters to share best practices with one another and provide feedback to the Ministry of Health (MOH) on enhancements to improve staff well-being across all categories of staff.

The committee has since completed its work and provided its recommendations to MOH. Arising from one of its recommendations, MOH announced the formation of a Tripartite Workgroup to address the issue of abuse and harassment of healthcare workers in March 2022. The Workgroup is currently finalising its recommendations which will be released soon.

Clusters have also enhanced support measures for their staff. Besides the appointment of Chief Wellness Officers to improve staff well-being, the clusters have also put in place counselling services, peer-support networks and staff support assistance plans.

We will continue to work closely with MOH Holdings and the public healthcare clusters to improve staff well-being.

REASONS PREVENTING HDB FROM INCREASING NUMBER OF COMPLETED FLATS

26 **Mr Shawn Huang Wei Zhong** asked the Minister for National Development (a) why the number of HDB flats completed in 2019 was 12,114 which is a lower number as compared to 17,556 HDB flats completed in 2018; (b) why the expected number of HDB flats completed in 2023 is flat compared to 2022; and (c) what is preventing HDB from increasing the number of completed HDB flats in 2023.

Mr Desmond Lee: The number of HDB flats completed each year depends on a variety of factors such as the number of flats that commenced construction in preceding years, and attributes of individual projects such as site availability, storey height, number of units, design, site conditions and constraints, which in turn affect the construction period. Projects with challenging site conditions or more complex designs may also take a longer time to construct. The combination of these different factors resulted in the lower number of completed flats in 2019.

We have ramped up our supply and resources to reduce the extent of the delays to BTO projects brought about by the COVID-19 pandemic and are working hard to deliver affordable and quality homes for Singaporeans. In 2022, HDB delivered more than 20,000 flats across 22 housing projects, the largest number of flats and housing projects in the last five years. The number of flats completed increased by 50% from 2021.

However, there remain constraints at certain planned BTO sites. For example, space constraints limit the number of temporary construction lifts and machinery on-site. Where possible, we have optimised construction time through the use of technology, while complying with safety regulations and quality standards.

Nonetheless, we will sustain our efforts to deliver affordable homes as soon as possible, while not compromising on quality and safety.

AGREEMENT FOR SALE OF BTO OR BALANCE FLATS WHERE HDB LOAN REPAYMENTS ARE MADE BY THIRD PARTIES

27 **Ms Sylvia Lim** asked the Minister for National Development (a) whether HDB has entered into any agreement for the sale of HDB BTO or balance flats where a third party was liable to make the HDB loan repayments; and (b) if so, under what circumstances.

Mr Desmond Lee: For mortgage loans taken up with the Housing and Development Board (HDB), only flat owners are allowed to be the borrowers of their housing loans and they are liable for the loan repayments. HDB does not enter into any agreement with third parties who do not own the flat to make the HDB loan repayments on someone's behalf.

OCCUPANCY LIMIT OF SIX FOREIGN WORKERS FOR NON-PURPOSE-BUILT ACCOMMODATION

28 **Mr Yip Hon Weng** asked the Minister for National Development whether the Ministry plans to review the current occupancy limit of six foreign workers for all non-purpose-built accommodation that are not foreign worker dormitories, with the possibility of increasing the cap for housing based on the floor area of the accommodation.

Mr Desmond Lee: There are currently no plans to review occupancy limits for non-purpose-built accommodation that are not foreign worker dormitories. Occupancy limits are already differentiated based on the size of the accommodation. The occupancy limit for 1- and 2-room HDB flats is four unrelated persons, while the occupancy limit for 3-room and larger HDB flats, as well as private residential property is six unrelated persons.

PROFILE OF TENANTS OF HDB FLAT OWNERS

29 **Mr Chua Kheng Wee Louis** asked the Minister for National Development in each of the past 10 years (a) what is the number of tenants who are (i) Singaporeans, (ii) Permanent Residents and (iii) foreign pass holders, renting from HDB flat owners; and (b) what is the number of tenants renting from HDB flat owners as broken down by age group.

Mr Desmond Lee: In the past 10 years, the proportion of tenants who rented HDB flats from existing flat owners ranged from 5% to 8% for Singaporeans, 13% to 16% for permanent residents, and 76% to 82% for foreigners. To prevent the formation of foreigner enclaves, HDB implemented a non-citizen quota in January 2014 to cap the number of flats that can be wholly rented out by flat owners to non-Malaysian non-citizens, at 8% in each neighbourhood and 11% in each block.

Most of the tenants renting from HDB flat owners fall within the 30 to 39 age group.

RESALE LEVY COLLECTED FOR HDB FLATS SOLD ON OR AFTER 3 MARCH 2006

30 **Mr Pritam Singh** asked the Minister for National Development (a) from 2010 to 2022, how much has the Ministry collected from the resale levy each year for HDB flats sold from or after 3 March 2006, divided into each subsidised housing type respectively; and (b) what is the forgone resale levy through waivers or reductions for each year and housing type respectively.

Mr Desmond Lee: Singaporeans enjoy a significant housing subsidy when they buy a new flat from HDB, or a resale flat in the open market with a CPF Housing Grant. To ensure a fair allocation of our limited housing subsidies, those who buy a second subsidised flat from HDB receive a smaller subsidy than first-timer buyers, by paying a resale levy on or before collecting the keys to their second subsidised flat.

HDB does not track the collection of resale levy by whether the first subsidised flat was sold before 3 March 2006, or on and after that.

The breakdown of the range of resale levy collected from second-timers (STs) buying a new flat between FY2010 and FY2021, based on the flat type of their first subsidised flat, is in Table 1 below.

Table 1: Annual Amount of Resale Levy Collected Between FY2010 and FY 2021, by Flat Type of First Subsidised Flat

	Annual amount of resale levy collected between FY2010 and FY2021
2-room	\$74,000 – \$2,436,000
3-room	\$5,174,000 – \$26,727,000
4-room	\$9,614,000 – \$82,982,000
5-room/Executive Flats	\$6,196,000 – \$61,162,000

ST flat buyers can use the proceeds from the sale of their first subsidised flat to pay the resale levy, which is payable in cash. Those with extenuating circumstances who require assistance with their resale levy, such as households that are facing financial difficulties, can approach HDB and we will see how best to help them. For example, on a case-by-case basis, HDB may allow the incorporating of the resale levy into the purchase price of the second subsidised flat so that the resale levy need not be paid upfront in cash. HDB does not track the resale levy forgone through a waiver or reduction.

STs may also consider buying a resale flat, for which they are not required to pay a resale levy. Eligible applicants may also apply for a Proximity Housing Grant of \$20,000, if the resale flat they are buying is within four kilometres of their parents' home.

RESALE LEVY COLLECTED FOR HDB FLATS SOLD BEFORE 3 MARCH 2006

31 **Mr Pritam Singh** asked the Minister for National Development (a) from 2010 to 2022, how much has the Ministry collected from the resale levy each year for HDB flats sold before 3 March 2006, divided into each subsidised housing type respectively; and (b) what is the forgone resale levy through waivers and reductions for each year and housing type respectively.

Mr Desmond Lee: Singaporeans enjoy a significant housing subsidy when they buy a new flat from HDB, or a resale flat in the open market with a CPF Housing Grant. To ensure a fair allocation of our limited housing subsidies, those who buy a second subsidised flat from HDB receive a smaller subsidy than first-timer buyers, by paying a resale levy on or before collecting the keys to their second subsidised flat.

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PROTECTING CONSUMERS FROM UNILATERAL TERMINATION OF MOBILE SERVICES BY A VIRTUAL TELCO

32 **Dr Tan Wu Meng** asked the Minister for Communications and Information what safeguards exist to protect consumers when a virtual telco unilaterally terminates provision of mobile service in contravention of licence conditions.

Mrs Josephine Teo: All telcos in Singapore, including virtual telcos, must comply with the Telecommunications Act, the Telecommunications and Media Competition Code and their respective licence conditions. These include requirements to safeguard consumers' interests, such as: (a) seeking the Infocomm Media Development Authority's (IMDA) prior approval before discontinuing mobile services, and (b) providing all affected subscribers at least three months' advance notice of any intention to cease services. Should consumers have disputes with their telecommunications service providers, they may submit their cases to IMDA or go through the Alternative Dispute Resolution (ADR) process set up by IMDA.

Should telcos fail to comply with their regulatory obligations, IMDA will investigate and take appropriate action. Where there is a breach of regulatory requirements, IMDA may issue warnings or financial penalties, taking into account factors such as measures adopted by licensees to mitigate impact on consumers.

AUDIT OF SINGAPORE PRESS HOLDINGS' FINANCIAL STATEMENTS AND CIRCULATION NUMBERS

33 **Mr Leong Mun Wai** asked the Minister for Communications and Information (a) whether the Government has independently audited the financial statements and other data provided by Singapore Press Holdings Limited as part of its due diligence process before making the decision to grant it public funding; and (b) if not, why not.

34 **Mr Leong Mun Wai** asked the Minister for Communications and Information (a) which are the newspaper titles for which circulation numbers are inflated; (b) whether an external forensic audit will be held to determine if the circulation numbers are inflated beyond the review period of September 2020 to March 2022; and (c) if so, which other periods will be reviewed.

Mrs Josephine Teo: These questions have been addressed in my reply to Question Nos 2 to 18 for oral answer on the Order Paper for 6 February 2023. [*Please refer to "Government's Response to SPH Media Trust's Inflated Circulation Numbers", Official Report, 6 February 2023, Vol 95, Issue 81, Oral Answers to Questions section.*]

DATA ON LIBRARY BOOKS REMOVED FROM PUBLIC BORROWING LIST

35 **Mr Zhulkarnain Abdul Rahim** asked the Minister for Communications and Information (a) in the last five years, how many library books have been removed from public borrowing by the National Library Board (NLB); (b) what are the reasons for such removal and whether other measures such as labels for age appropriateness or advisory can be considered; and (c) what are the typical processes and relevant factors considered by NLB before deciding to remove such titles or publications from its repository.

Mrs Josephine Teo: The National Library Board (NLB) strives to ensure that its collections are appropriate for different age groups, in line with prevailing social and cultural norms. Its collection policy also takes reference from content guidelines provided by the Infocomm Media Development Authority (IMDA). For children’s titles reviewed and assigned “Parental Guidance Recommended” Advisory, a Parental Guidance label will be shown in the library’s catalogue records and during check-out at book borrowing stations, to alert readers to potentially sensitive matter.

NLB brings in an average of 86,000 new titles for the public libraries each year, to ensure that library collections remain updated and relevant for Singaporeans of all ages. When NLB receives public feedback on certain titles, it has processes in place to review the books concerned. This includes tapping on its Library Consultative Panel (LCP), an independent citizen-based committee from a wide cross section of society. Established in 2015, the panel provides diverse community perspectives and recommendations to NLB on the books that the public have highlighted.

Since 2018, the NLB has received 42 instances of feedback from members of the public. One title was withdrawn, after consultation with the Library Consultative Panel, due to its violent storyline and illustrations. Seventeen children’s titles were moved to sections for higher age groups, one adult title was reclassified and moved to the reference section, while 23 titles, including books for children, young adults, and adults, were assessed to be suitable to remain in their original collections.

UPDATES ON SINGAPORE SPORTS HUB TAKEOVER AND PLANS FOLLOWING TAKEOVER

36 **Mr Sitoh Yih Pin** asked the Minister for Culture, Community and Youth (a) whether there are any updates pertaining to the Singapore Sports Hub takeover by the Government in December 2022; and (b) what are the plans for the Singapore Sports Hub following the takeover.

Mr Edwin Tong Chun Fai: The transition from the Sports Hub Pte Ltd (SHPL) to the Government has been smooth and was completed on 9 December 2022. Thereafter, SportSG and SHPL have been conducting due diligence on SHPL’s accounts. The termination sum payable to SHPL is \$1.4 billion, which is around \$0.1 billion lower than what was initially projected.² This is mainly because we were able to bring down the cost of termination, excluding debt repayment and related costs, in the negotiations. With the President’s concurrence, the Government made an advance from the Contingencies Funds for the Termination Sum and will replace the advance through a Supplementary Supply Bill at Budget 2023. The replacement of the advance will not lead to a draw on past Reserves.

The new management team has since organised a wide range of activities in the past two months. This includes performances by live bands and dance groups, a Big Walk event to usher in the New Year and a Chinese New Year Stadium Waterfront Carnival, among other events. Several schools have also played football matches in the National Stadium.

In the coming months, members of the public can look forward to more of such community events, including some National School Games finals, National Stadium Open Houses, as well as grassroots programmes and activities. There will also be marquee sports such as the Badminton National Open Championships as well as world-renowned entertainment events from groups such as Westlife and Blackpink.

The developments in the larger Kallang Alive precinct are also on track, with the Kallang Football Hub and Kallang Tennis Centre due to be completed this year.

With these exciting programmes and developments, our Sports Hub will be a vibrant community, sporting and lifestyle space that all Singaporeans can enjoy and identify with.

Note(s) to Question No(s) 36:

¹ Subject to final SHPL accounts and supporting evidence.

² This comprises \$1.2 billion for the remaining debt and related costs, such as the loan’s accompanying interest, hedged at 4% – 5%, as well as \$0.2 billion for the Open Market Value, other costs, expenses and deductions. Initial debt of \$1.5 billion was undertaken by SHPL for construction and finance costs, which would otherwise have to be borne by the Government if we had constructed the Sports Hub ourselves.

WORKPLACE ACCIDENT PROTOCOLS TO ENSURE VICTIMS RECEIVE IMMEDIATE CARE AND FAMILY MEMBERS ARE UPDATED

37 **Mr Christopher de Souza** asked the Minister for Manpower how does the Ministry ensure that employers have a proper protocol to follow when workplace accidents happen so that victims receive immediate care and family members are updated.

Dr Tan See Leng: Under the Workplace Safety and Health Act (WSHA), employers are required to develop and implement procedures to respond promptly to workplace accidents and ensure that injured workers receive timely medical attention. As part of workplace inspections, the Ministry of Manpower (MOM) checks that employers have these emergency preparedness and response plans in place. Failure to develop and implement such plans is an offence under WSHA.

For major workplace accidents, such as those resulting in fatality or where the injured worker is unable to call his or her next-of-kin, the authorities investigating the case will remind the employer to keep the worker’s next-of-kin updated.

CAUSES OF WORKPLACE FATALITIES IN 2022

38 **Mr Christopher de Souza** asked the Minister for Manpower whether he can provide a breakdown of the causes behind the high number of workplace fatalities in 2022.

Dr Tan See Leng: This question has been addressed in my reply to Question Nos 40 and 41 for oral answer on the Order Paper for 6 February 2023. *[Please refer to "Workplace Fatalities Involving Hoisting Operations and Extension of Heightened Safety Period", Official Report, 6 February 2023, Vol 95, Issue 81, Written Answers to Questions for Oral Answer not Answered by End of Question Time section.]*

HIRING MORE THAN ONE MIGRANT DOMESTIC WORKER BY CAREGIVERS OF ELDERLY WITH SEVERE DEMENTIA

39 **Mr Christopher de Souza** asked the Minister for Manpower whether the Ministry has a policy of allowing caregivers of elderly with severe dementia to hire more than one foreign domestic worker.

Dr Tan See Leng: The Ministry of Manpower (MOM) takes into consideration the caregiving needs of households when assessing applications for the second migrant domestic worker (MDW). This includes situations where there is an elderly with dementia in the household. Other considerations include the household's financial ability to hire and upkeep two MDWs in acceptable accommodation.

ENSURING EMPLOYERS MAINTAIN GOOD SAFETY PROTOCOLS TO PREVENT WORKSITE ACCIDENTS

40 **Mr Christopher de Souza** asked the Minister for Manpower what additional measures are in place to ensure that employers maintain good safety protocols so as to prevent worksite accidents.

Dr Tan See Leng: This question has been addressed in my reply to Question Nos 40 and 41 for Oral Answer on the Order Paper for 6 February 2023. *[Please refer to "Workplace Fatalities Involving Hoisting Operations and Extension of Heightened Safety Period", Official Report, 6 February 2023, Vol 95, Issue 81, Written Answers to Questions for Oral Answer not Answered by End of Question Time section.]*

SAFETY PROCEDURES FOR COMPANIES IN HIGHER-RISK SECTORS SUCH AS CONSTRUCTION

41 **Mr Christopher de Souza** asked the Minister for Manpower whether he can provide an update on safety procedures for companies in higher-risk sectors such as construction.

Dr Tan See Leng: This question has been addressed in the reply to Question Nos 40 and 41 for oral answer on the Order Paper for 6 February 2023. *[Please refer to "Workplace Fatalities Involving Hoisting Operations and Extension of Heightened Safety Period", Official Report, 6 February 2023, Vol 95, Issue 81, Written Answers to Questions for Oral Answer not Answered by End of Question Time section.]*

APPEALS BY CPF MEMBERS ABOVE 55 TO MAKE PARTIAL WITHDRAWALS FROM RETIREMENT ACCOUNT TO PURCHASE 2-ROOM HDB FLEXI FLATS

42 **Ms Sylvia Lim** asked the Minister for Manpower what factors are considered by the Central Provident Fund (CPF) Board in deciding whether to permit an appeal by a CPF member above 55 years old to make a partial withdrawal from his or her CPF Retirement Account to purchase a 2-room HDB flexi flat on short lease.

Dr Tan See Leng: Before CPF members turn 55, they can request not to transfer their Ordinary Account (OA) savings to their Retirement Account (RA) if they intend to use it for housing. After they turn 55, members committed to a housing purchase may also use their CPF balances in excess of the Basic Retirement Sum (BRS) to finance the housing purchase.

The CPF Board exercises flexibility for members facing financial hardship seeking to use CPF to purchase a 2-room flexi flat. For example, the Board has, upon appeal, allowed CPF members to use their RA savings that originated from their OA to pay for their housing, even if this results in their RA savings dipping below the BRS.

The Board takes into account members' retirement adequacy and the outstanding loan amount when deciding whether an exception can be made. The Board also works with relevant agencies, such as HDB, to tailor our assistance to members' circumstances.

Overall, we need to strike a balance between allowing CPF members to use their RA savings for housing needs and safeguarding such savings for their retirement, so as not to compromise retirement adequacy.

COMPENSATION AMOUNTS DISBURSED TO HEALTHCARE WORKERS UNDER WORK INJURY COMPENSATION ACT FRAMEWORK

43 **Dr Tan Wu Meng** asked the Minister for Manpower since 2017 annually (a) how many healthcare workers received compensation under the Work Injury Compensation Act for injuries arising in the course of duty; and (b) what were the 25th percentile, median, and 75th percentile compensation amounts.

Dr Tan See Leng: Table 1 shows the number of work injury compensation claims made by healthcare workers under the Work Injury Compensation Act (WICA), from 2017 to 2022. There was a change in reporting methodology in 2020 and so the claims numbers before 2020 cannot be directly compared with those after 2020. Since 1 September 2020, employers have to report any instance of light duties or medical leave, for more complete reporting of work injuries. With better protections for workers, the number of work injury claims from healthcare workers have increased.

We have shown two sets of numbers in Table 1. The first applies the pre-2020 methodology across all the years and the second presents the numbers as reported from 2020 based on the new methodology.

Table 1: No. of healthcare workers who received WICA compensation,
from 2017-2022

	2017	2018	2019	2020	2021	2022
No. of Claims*	628	645	836	807	936	1,181
				1,377^	2,476^	2,816^

* Since 1 September 2020, work injuries resulting in any instance of medical leave, light duties, or hospitalisation must be reported to the Ministry, and are processed as work injury compensation claims unless the injured worker withdraws the claim, or the injury is assessed not to be work-related. Previously, work injuries that resulted in at least 4 days of medical leave or 24 hours of hospitalisation, needed to be reported. The first set of numbers uses the reporting methodology before September 2020.

^ Includes work injuries resulting in any instance of medical leave, light duties, or hospitalisation.

The Ministry only tracks the lump sum compensation for work injury cases resulting in permanent incapacity or fatality. Due to the change in reporting requirements, median compensation amounts have decreased in tandem as there are more claims for smaller injuries under the new methodology. The compensation amounts awarded to healthcare workers for permanent incapacity and fatality at the 25th, 50th (median) and 75th percentiles are at Table 2 below.

Table 2: Compensation amounts (\$) paid out to healthcare workers,
from 2017-2022

Compensation Amounts (\$)	2017	2018	2019	2020	2021	2022
25 th Percentile	\$6,424	\$5,472	\$5,240	\$5,240	\$5,780	\$5,780
50 th Percentile (Median)	\$13,100	\$13,100	\$8,357	\$10,480	\$11,560	\$11,560
75 th Percentile	\$26,170	\$26,200	\$15,720	\$15,720	\$22,394	\$17,340

ADEQUACY OF CPF BASIC RETIREMENT SUM IN VIEW OF PROLONGED PERIOD OF HIGH INFLATION RATE

44 **Mr Shawn Huang Wei Zhong** asked the Minister for Manpower in view of the high inflation rate that is expected to be prolonged, whether the current CPF Basic Retirement Sum will be adequate for retirement.

Dr Tan See Leng: The Basic Retirement Sum (BRS) is meant to provide CPF members with lifelong payouts that cover a basic level of retirement expenses. For this purpose, the BRS is set by taking reference from the lower-middle retiree household expenditure and factoring in long-term inflation as well as some increase in the standard of living.

From age 55, members can withdraw their CPF savings in excess of the Full Retirement Sum (FRS), which is two times the BRS if they own a property.¹ If a member sets aside only the BRS, his payout will be close to \$1,000 per month for the cohort turning 55 in 2027, up from around \$850 per month for the cohort turning 55 in 2022.² Eight in 10 active CPF members turning 55 in 2027 are expected to have enough savings to receive at least the BRS payout. If a member sets aside the FRS, his payout will be close to \$1,850 per month for the cohort turning 55 in 2027.

We understand that some members may want to receive larger CPF payouts in retirement. They can do so by setting aside more CPF savings for retirement. A member who turns 55 in 2027 can receive close to \$2,700 per month for life by setting aside the Enhanced Retirement Sum.³ Members can also choose the CPF LIFE Escalating Plan, which will see payouts increase by 2% every year.

While CPF is important for seniors to fund their retirement, many seniors are likely able to rely on a combination of other means such as private savings and family support. The Government has also introduced schemes to boost seniors' retirement income. For example, eligible seniors can receive up to \$900 a quarter under the Silver Support scheme.

To directly help Singaporeans cope with higher inflation and cost of living concerns, the Government has rolled out a comprehensive series of measures last year. The packages, announced in February, June and October 2022, seek to provide immediate and targeted relief, with more support for the lower-income and more vulnerable groups. This includes a Cost of Living Special Payment of up to \$500 cash for eligible adult Singaporeans, and additional CDC Vouchers for all Singaporean households. Taken together, the support measures introduced since Budget 2022 will on average fully cover the inflation-driven increases in cost of living for lower-income and retiree households in 2022, and more than half of the inflation-driven increases in cost of living for middle-income households.

We will continue to review the BRS keeping in mind the long-term retirement needs of Singaporeans. As part of the Forward Singapore Exercise, we are also taking a deeper look at what more needs and can be done to help Singaporeans meet their basic retirement needs.

Note(s) to Question No(s) 44:

¹ Members turning age 65 from 2023 can also withdraw up to 20% of their Retirement Account savings upon reaching age 65 (including the first \$5,000 that members can withdraw from age 55). Members are not required to top up their CPF accounts in cash or sell their property if they have less CPF savings than the BRS.

² Assuming male on CPF LIFE Standard Plan, starting payouts at age 65.

³ Assuming male on CPF LIFE Standard Plan, starting payouts at age 65.

AVAILABILITY OF DORMITORY ACCOMMODATION FOR MIGRANT WORKERS

45 **Mr Yip Hon Weng** asked the Minister for Manpower (a) what is the current demand for additional dormitory accommodations for migrant workers; (b) what specific actions is the Ministry taking to increase the availability of dormitory beds; and (c) how is the Ministry engaging with the construction sector to understand and address post-COVID-19 challenges in implementing productivity measures to reduce the demand for dormitory accommodations by reducing reliance on manpower.

Dr Tan See Leng: With economic reopening, there has been strong demand for dormitory beds as employers have been hiring more migrant workers to catch up on projects. The number of Work Permit holders in the Marine, Construction and Process sectors has increased by 29% over the past year since January 2022 and is now 13% higher than pre-COVID-19 levels.

The Ministry of Manpower (MOM) has been monitoring the situation and has worked closely with relevant stakeholders to make more dormitory beds available. Efforts include maximising the utilisation of existing dormitory capacity and allowing more Factory Converted Dormitories (FCDs) and Construction Temporary Quarters (CTQs). We are also pressing on with plans to build more purpose-built dormitories. Employers may apply to set up new FCDs and CTQs. They should also reduce reliance on manpower through adoption of technology and lean methodologies, as migrant worker numbers cannot keep rising.

For the construction industry, the Building and Construction Authority (BCA) has been implementing various initiatives to support firms in improving their productivity. For example, BCA extended the Productivity Innovation Project (PIP) scheme in March 2022, which co-funds up to 70% of the cost premium of newer labour-efficient technologies and innovations, including those that shift construction activities off-site into more productive factory-like settings.

BCA has also engaged and worked closely with industry stakeholders to jointly develop a set of strategies to guide its development over the next few years, as part of the refreshed Built Environment Industry Transformation Map (BE ITM) launched in September 2022. The BE ITM hoists in the lessons learnt during COVID-19, including the need to reduce the industry’s reliance on foreign manpower. BCA will continue to partner the construction industry in its transformation efforts.

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