

Nanyang Technological University (Corporatisation) Bill

Bill No. 33/2005.

Read the first time on 17th October 2005.

THE NANYANG TECHNOLOGICAL UNIVERSITY (CORPORATISATION) ACT 2005

(No. of 2005)

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A BILL

i n t i t u l e d

An Act to provide for the corporatisation of the Nanyang Technological University and for the transfer of its property, rights and liabilities to a successor company, to provide for certain matters relating to that company and to repeal the Nanyang Technological University Act (Chapter 192 of the 1992 Revised Edition).

Whereas the Nanyang Technological University was established under the Nanyang Technological University Act:

And Whereas it is desirable to corporatise the Nanyang Technological University:

And Whereas a company limited by guarantee will be incorporated under the Companies Act (Cap. 50) by the name “Nanyang Technological University” having as its objects the operation, maintenance and promotion of a university in Singapore under the name and style “Nanyang Technological University”:

And Whereas it is desirable that statutory provision be made in relation to the transfer of the property, assets, liabilities and employees of the Nanyang Technological University to the company, the operation of the company and certain of the powers of the company.

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

PART I

PRELIMINARY

Short title and commencement

5 **1.** This Act may be cited as the Nanyang Technological University (Corporatisation) Act 2005 and shall come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

Interpretation

2.—(1) In this Act, unless the context otherwise requires —

“appointed day” means the date of commencement of this Act;

10 “Board” means the Board of Trustees of the university company referred to in its constituent documents;

“constituent documents”, in relation to the university company, means the memorandum of association and articles of association of the university company;

15 “predecessor university” means the Nanyang Technological University established under the Nanyang Technological University Act (Cap. 192);

“university company” means the company limited by guarantee incorporated under the Companies Act (Cap. 50) under the name “Nanyang Technological University”.

(2) For the avoidance of doubt —

- 5 (a) any reference in this Act to property vested in the predecessor company is a reference to such property, whether situated in Singapore or elsewhere; and
- 10 (b) any reference in this Act to rights or liabilities of the predecessor university is a reference to such rights to which the predecessor university is entitled or such liabilities to which the predecessor university is subject, as the case may be, whether under the laws of Singapore or of any country outside Singapore, and includes such rights or liabilities arising under loans raised by the predecessor university.

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PART II

PROVISIONS RELATING TO UNIVERSITY COMPANY

Function of university company

3. The function of the university company is to pursue, within the limits of the financial resources available to it, the objects provided by its constituent documents and, in particular, the university company may confer and award degrees, diplomas and certificates, including honorary degrees and other distinctions.

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Accountability and evaluation

4.—(1) The university company shall comply with the accountability framework set out by way of any agreement in writing between the university company and the Minister or any person authorised by him.

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(2) The university company shall evaluate the performance of its activities in accordance with such quality assurance framework as the Minister may determine.

30 (3) The university company shall participate in the evaluation of its activities by such external review panel as may be commissioned by the Minister from time to time.

Directions in respect of policies on higher education in Singapore

5 **5.**—(1) The Minister may, in consultation with the university company, establish such policies on higher education in Singapore as the Minister thinks fit and may direct the university company to implement such policies.

(2) The university company shall comply with any direction given by the Minister under subsection (1).

Appointment to Board

10 **6.**—(1) The Board shall consist of such number of trustees as the Minister may, in his discretion, appoint.

(2) The Minister may, at any time, remove or replace any trustee and appoint new or additional trustees to the Board.

Consent of Minister

15 **7.**—(1) The prior written consent of the Minister is required for —

- (a) the admission of any person as a member of the university company and the removal of any such member;
- (b) the disposal of the whole or substantially the whole of the university company's undertaking or property;
- (c) the voluntary winding-up of the university company;
- 20 (d) the addition, deletion or alteration of any provision of the constituent documents of the university company; and
- (e) the removal of any trustee from the Board.

25 (2) The requirements under subsection (1) shall apply in addition to the requirements prescribed by the Companies Act (Cap. 50) in respect of the matters referred to in paragraphs (a) to (e) of that subsection.

(3) Any act done or agreement made in contravention of subsection (1) shall have no effect and be unenforceable at law.

Provision of funds

30 **8.**—(1) The Minister shall pay to the university company such moneys as may be provided by Parliament, from time to time, for the funding of the university company.

(2) All moneys paid to the university company under subsection (1) shall only be applied or expended by the university company for such of the objects provided by its constituent documents as the Minister may allow.

5 **Access to accounts and summary of financial statements**

9.—(1) The Minister or any person authorised by him is entitled, at all reasonable times, to full and free access to all accounting and other records relating, directly or indirectly, to the financial transactions of the university company.

10 (2) The Minister or any person authorised by him may require any person to furnish him with such information in the possession of that person or to which that person has access as he considers necessary for ascertaining —

15 (a) whether moneys paid to the university company under section 8 were applied or expended in accordance with that section; and

(b) such other matters as he considers necessary.

20 (3) The university company shall make available to the public, at such frequency and in such manner as the Minister may determine, a summary of the financial statements of the university company which shall be in such form and contain such information as the Minister may determine.

25 (4) Any person who fails, without reasonable excuse, to comply with any requirement of the Minister or any person authorised by him under subsection (2) or who otherwise hinders, obstructs or delays the Minister or any person authorised by him in the performance of his duties or in the exercise of his powers under this section shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$1,000.

Application of Societies Act to student bodies

30 **10.**—(1) Notwithstanding anything to the contrary in the Societies Act (Cap. 311), the provisions of that Act shall have effect in relation to any student body constituted pursuant to the provisions of the constituent documents of the university company.

35 (2) The Minister responsible for societies may, by order published in the *Gazette*, exempt any student body referred to in subsection (1) from all or any of the provisions of the Societies Act subject to such conditions as may be specified in the order.

Act to prevail over constituent documents, etc.

11.—(1) Any provision of the constituent documents, or any regulation of the university company made in pursuance thereof, that is inconsistent with any provision of this Act shall, to the extent of the inconsistency, be
5 void.

(2) Nothing in this Act shall be construed to excuse or exempt the university company from complying with any written law that, apart from this Act, would apply to the university company.

PART III

10 **TRANSFER OF PROPERTY, RIGHTS, LIABILITIES, EMPLOYEES,
ETC., TO UNIVERSITY COMPANY**

Transfer to university company of property, rights and liabilities

12.—(1) On the appointed day, such property, rights and liabilities comprised in the undertaking of the predecessor university as may be
15 determined by the Minister and agreed to by the Minister for Finance shall, by virtue of this section and without further assurance, act or deed, be transferred to and vest in the university company.

(2) Any property which by any scheme, will or other instrument or otherwise was held upon trust for any specific foundation or object of the
20 predecessor university and which has been transferred to or vests in the university company by virtue of subsection (1) shall, after such transfer or vesting, be held upon trust for and applied as far as possible to the like foundation or object of the university company.

(3) Any property which was held upon any trust and which has been
25 transferred to or vests in the university company by virtue of subsection (1) shall, after such transfer or vesting, be held upon the same trust.

(4) If any question arises as to whether any particular property, right or liability has been transferred to or vested in the university company under
30 subsection (1), a certificate under the hand of the Minister for Finance shall be conclusive evidence that the property, right or liability was or was not so transferred or vested.

(5) Any immovable property to be transferred to and vested in the university company under subsection (1) shall be held by the university

company upon such tenure and subject to such terms and conditions as the President may determine.

5 (6) All proceedings by or against the predecessor university which are commenced before the appointed day and which are pending on that day may be continued, completed and enforced by or against the university company on and after that day.

10 (7) Every agreement relating to any of the transferred properties to which the predecessor university was a party immediately before the appointed day, whether or not of such nature that the rights and liabilities thereunder can be assigned, shall have effect on and after that day as if —

(a) the university company had been a party to such an agreement; and

15 (b) every reference therein to the predecessor university were substituted in respect of anything to be done on or after that day with a reference to the university company.

Transfer of employees

20 **13.**—(1) On and after the appointed day, all persons employed immediately before that day by the predecessor university shall be transferred to the service of the university company on terms no less favourable than those enjoyed by them immediately prior to their transfer.

25 (2) Until such time as terms and conditions of service are drawn up by the university company, the scheme and terms and conditions of service in the predecessor university shall continue to apply to every person transferred to the service of the university company under subsection (1) as if he were still in the service of the predecessor university.

Service rights, etc., of transferred employees

30 **14.**—(1) The university company shall, in drawing up the terms and conditions of service of any person transferred to the service of the university company under section 13, consider the terms and conditions of service, including any accrued rights to leave, enjoyed by that person while in the employment of the predecessor university.

(2) The university company shall, in drawing up any term or condition relating to the length of service of any person with the university company, provide for the recognition of service under the predecessor university by that person to be service under the university company.

5 **Existing contracts**

10 **15.** All deeds, contracts, schemes, bonds, agreements, instruments and arrangements subsisting immediately before the appointed day to which the predecessor university is a party shall continue in force on and after that day and shall be enforceable by or against the university company as if the university company had been named therein or had been a party thereto instead of the predecessor university.

Continuation and completion of disciplinary proceedings

16.—(1) Where any disciplinary proceedings commenced before the appointed day against —

- 15 (a) any employee of the predecessor university transferred to the service of the university company under section 13; or
- (b) any student of the predecessor university,

are pending on that day, the proceedings shall on and after that day be carried on and completed by the university company.

20 (2) Where any hearing or investigation by a duly authorised committee of the predecessor university has commenced before the appointed day, but no order, ruling or direction has been made thereon immediately before that day, the committee shall on or after that day complete the hearing or investigation and shall make such order, ruling or direction as it

25 could have made under the authority vested in it before that day.

(3) Any order, ruling or direction made by a committee under subsection (2) shall be treated as an order, a ruling or a direction of the university company and have the same force and effect as if it had been made by a duly authorised committee of the university company.

30 **Misconduct or neglect of duty by employee before transfer**

17. The university company may reprimand, reduce in rank, retire, dismiss or punish in some other manner a person who had, whilst he was in the employment of the predecessor university, been guilty of any misconduct or neglect of duty which would have rendered him liable to be

reprimanded, reduced in rank, retired, dismissed or punished in some other manner if he had continued to be in the employment of the predecessor university, and if this Act had not been enacted.

PART IV

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MISCELLANEOUS

Students' Union

10 **18.** On the appointed day, the students' association known as the Nanyang Technological University Students' Union and its constituent bodies shall be deemed to be constituted pursuant to the provisions of the constituent documents of the university company.

Register of Guild of Graduates

19. The provisions of the Schedule shall have effect in relation to all persons whose names are on the register of the Guild of Graduates of the predecessor university.

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Repeal

20. The Nanyang Technological University Act (Cap. 192) is repealed.

THE SCHEDULE

Section 19

PROVISIONS APPLICABLE TO REGISTER
OF GUILD OF GRADUATES

- 5 1. The university company shall maintain a Register of Graduates which shall consist
of —
- (a) the names of all persons who on 7th August 1980 were members of the
Guild of Graduates of the former Nanyang University and of all persons on
whom degrees of that University had been conferred by virtue of section
10 18(2) of the National University of Singapore Act (Cap. 204, 1985 Ed.);
- (b) the names of all persons who immediately before the appointed day were
members of the Guild of Graduates of the predecessor university, of all
graduates of the National University of Singapore who were matriculated
students of the Nanyang Technological Institute before 1st July 1991 and of
15 all persons on whom degrees of the predecessor university had been
conferred; and
- (c) the names of all graduates of the University.
2. The Register of Graduates may be in such form as the Board may determine but
shall be divided into 3 Parts, as follows:
- 20 (a) Part A shall contain the names of all persons specified in paragraph 1(a);
 (b) Part B shall contain the names of all persons specified in paragraph 1(b); and
 (c) Part C shall contain the names of all graduates of the University.
3. Any person whose name is on the Register of Graduates may receive such
documents or other papers of the University as the Board may from time to time
25 determine.
4. In this Schedule, “University” means the university known as the Nanyang
Technological University operated, maintained and promoted by the university
company.
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EXPLANATORY STATEMENT

This Bill seeks to make provision for the corporatisation of the Nanyang Technological University (the predecessor university), for the transfer of its property, rights and liabilities to a successor company (the university company) and for certain matters relating to the university company, and to repeal the Nanyang Technological University Act (Cap. 192). The provisions of the Bill are intended —

- (a) to state the function of the university company as including that of conferring and awarding degrees, diplomas and certificates;
- (b) to facilitate the provision of Government funds to the university company;
- (c) to empower the Government to exercise certain controls over the management of the university company in the public interest; and
- (d) to transfer the property, rights and liabilities of the predecessor university to the university company.

Clause 1 relates to the short title and commencement.

Clause 2 defines certain terms used in the Bill.

Clause 3 sets out the function of the university company, which includes the conferring and awarding of degrees, diplomas and certificates.

Clause 4 provides for the frameworks under which the university company is accountable to the Minister and the performance of the university company is evaluated. The clause also requires the university company to participate in the evaluation by an external review panel commissioned by the Minister.

Clause 5 empowers the Minister, in consultation with the university company, to establish policies on higher education and requires the university company to implement such policies if the Minister directs it to do so.

Clause 6 provides for the appointment, removal and replacement of the trustees of the university company by the Minister.

Clause 7 sets out the matters which require the prior written consent of the Minister, and provides that any act done or agreement made without such consent is without effect and unenforceable at law.

Clause 8 makes provision for Parliament to provide funding for the university company and requires that the moneys given may only be applied or expended by the university company for such of its objects provided by its constituent documents as the Minister may allow.

Clause 9 permits the Minister or a person authorised by him to have access to the financial records of the university company and to require any person in possession of information to provide him with the information. The clause also requires the university company to make a summary of its financial statements available to the public.

Clause 10 clarifies that the Societies Act (Cap. 311) applies to any student body constituted pursuant to the provisions of the constituent documents of the university company unless otherwise exempted by the Minister responsible for societies.

Clause 11 provides that the Bill will prevail over the constituent documents of the university company and any regulation made pursuant to the constituent documents, and makes clear that the university company is bound to comply with any other written law that would apply to it.

Clause 12 provides for the transfer, on the commencement of the Bill, of such property, rights and liabilities comprised in the undertaking of the predecessor university as determined by the Minister, with the agreement of the Minister for Finance, to the university company, and deals with certain consequential and transitional matters arising from the transfer.

Clause 13 provides for the transfer, on the commencement of the Bill, of the employees of the predecessor university to the university company on terms which are no less favourable than those enjoyed by such employees immediately before their transfer, and for the protection of their conditions of service until such time as new terms and conditions of service are drawn up by the university company.

Clauses 14 to 18 and clause 19 (to be read with the Schedule) deal with certain consequential and transitional matters arising from the transfers pursuant to clauses 12 and 13.

Clause 20 repeals the Nanyang Technological University Act (Cap. 192).

The Schedule (which is related to clause 19) specifies the provisions applicable to the register of the Guild of Graduates of the Nanyang Technological University operated, maintained and promoted by the university company.

EXPENDITURE OF PUBLIC MONEY

This Bill will not involve the Government in any extra financial expenditure.
