

Rapid Transit Systems (Amendment) Bill

Bill No. 33/2002.

Read the first time on 1st October 2002.

A BILL

i n t i t u l e d

An Act to amend the Rapid Transit Systems Act (Chapter 263A of the 1996 Revised Edition).

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

Short title and commencement

1. This Act may be cited as the Rapid Transit Systems (Amendment) Act 2002 and shall come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

5 Amendment of section 15

2. Section 15 of the Rapid Transit Systems Act is amended —

(a) by deleting paragraph (d) and substituting the following paragraph:

10 “(d) the approval by the Authority of the appointment, re-appointment or removal of any person as the chairman or as a director of the licensee;” and

(b) by deleting the full-stop at the end of paragraph (e) and substituting a semi-colon, and by inserting immediately thereafter the following paragraphs:

15 “(f) the control and restriction, directly or indirectly, on the creation, holding or disposal of shares in the licensee or its shareholders, or of interests in the undertaking of the licensee or any part thereof;

20 (g) the restriction on the carrying on by the licensee of any trade or business not related to the activity which the licensee is authorised by its licence to carry on; and

25 (h) the standards of performance to be complied by the licensee in the maintenance or operation of the rapid transit system or the provision of rapid transit system services.”.

New sections 15A, 15B and 15C, and repeal and re-enactment of sections 16 and 17

3. Sections 16 and 17 of the Rapid Transit Systems Act are repealed and the following sections substituted therefor:

“Modification of terms and conditions of licence

15A.—(1) Subject to this section, the Authority may add to, delete or modify the terms or conditions of a licence granted under section 13.

5 (2) Before making any addition, deletion or modification to the terms or conditions of a licence under subsection (1), the Authority shall give notice to the licensee —

(a) stating that it proposes to make the addition, deletion or modification in the manner as specified in the notice; and

10 (b) specifying the time (not being less than 28 days from the date of service of notice on such licensee) within which the licensee may make written representations to the Authority with respect to the proposed addition, deletion or modification.

15 (3) Upon receipt of any written representation referred to in subsection (2)(b), the Authority shall consider such representation and may —

(a) reject the representation;

20 (b) amend the proposed addition, deletion or modification in such manner as it thinks fit having regard to the representation; or

(c) withdraw the proposed addition, deletion or modification.

25 (4) Where the Authority rejects any written representation under subsection (3)(a) or amends any proposed addition, deletion or modification to the terms or conditions of a licence under subsection (3)(b), the Authority shall issue a direction in writing to the licensee requiring the licensee, within the time specified by the Authority, to give effect to the addition, deletion or modification as specified in the notice or as amended by the Authority, as the case may be.

30 (5) The Authority shall not enforce its direction —

(a) during the period referred to in section 17(1); and

(b) whilst the appeal of the licensee is under consideration by the Minister.

(6) If no written representation is received by the Authority within the time specified in subsection (2)(b) or if any written representation made under that subsection is subsequently withdrawn, the Authority may forthwith carry out the addition, deletion or modification to the terms or conditions of the licence as specified in the notice given to the licensee under subsection (2).

Codes of practice

15B.—(1) The Authority may issue or approve and from time to time modify codes of practice in connection with —

- (a) the maintenance or operation of rapid transit systems and any equipment relating thereto;
- (b) the provision of rapid transit system services;
- (c) the conduct of licensees; and
- (d) the safety of persons who use or who are engaged in any work on the rapid transit system.

(2) Every licensee shall comply with any code of practice issued or approved by the Authority under subsection (1), except that if any provision in any such code of practice is inconsistent with this Act, that provision shall not have effect to the extent of the inconsistency.

(3) The Authority may, if the circumstances so warrant, exempt any licensee from any provision in any code of practice, whether unconditionally or subject to such conditions as the Authority thinks fit to impose, and whether permanently or for such time as the Authority may specify.

(4) Any code of practice issued or approved by the Authority shall be deemed not to be subsidiary legislation.

Directions affecting licensees

15C.—(1) The Authority may give directions to be observed by licensees for or in respect of the following matters:

- (a) the extent, hours and general level of the services to be provided by licensees;
- (b) the extension of the operating hours of the services provided by the licensees;

- (c) the maintenance and operation of the rapid transit system;
- (d) the safety of persons who use or who are engaged in any work on the rapid transit system; and
- (e) any other matters affecting the interests of the public in connection with the services provided by licensees.

(2) Any direction given under subsection (1) —

- (a) may require the licensee concerned (according to the circumstances of the case) to do, or to refrain from doing, such things as are specified in the direction or are of a description as specified therein;
- (b) shall take effect at such time, being the earliest practicable time, as is determined by or under that direction; and
- (c) may be revoked at any time by the Authority.

(3) Before giving any direction to any licensee under subsection (1), the Authority —

- (a) shall give notice to the licensee —
 - (i) informing the licensee of the proposed direction and setting out its effect; and
 - (ii) specifying the time within which representations or objections to the proposed direction may be made by the licensee in connection with the proposed direction, unless the Authority, in respect of any particular direction, considers that it is not practicable or desirable that such notice be given; and
- (b) shall consider any representations or objections which are duly made by the licensee under paragraph (a)(ii).

(4) Every licensee shall comply with every direction given to it by the Authority under this section.

Suspension or cancellation of licence, etc.

16.—(1) Subject to subsections (2) and (3), if any licensee —

- (a) contravenes or fails to comply with, or fails to secure the compliance by its employees, agents or contractors with, any

of the conditions of its licence to operate any rapid transit system or with the provisions of this Act or any regulations made thereunder;

5 (b) in the opinion of the Authority, fails or is likely to fail to provide and maintain an adequate, safe and satisfactory service;

(c) fails to comply with any provision of any code of practice issued or approved by the Authority under section 15B;

10 (d) fails to comply with any direction given by the Authority under section 15C;

(e) goes into compulsory or voluntary liquidation other than for the purpose of reconstruction or amalgamation; or

(f) makes any assignment to, or composition with, its creditors,

15 the Authority may, by notice in writing and without any compensation, do any or all of the following:

(i) suspend or cancel the licence of the licensee;

(ii) forfeit the whole or any part of any security deposited with the Authority by the licensee or by its bank pursuant to a bank guarantee;

20 (iii) require the licensee to pay, within a specified period, a financial penalty of such amount not exceeding \$1 million as the Authority thinks fit.

25 (2) The Authority shall not impose any financial penalty under subsection (1)(iii) on any licensee by reason only that under subsection (1)(b) the Authority is of the opinion that the licensee is likely to fail to provide and maintain an adequate, safe and satisfactory service.

30 (3) Any financial penalty payable by any licensee under subsection (1)(iii) shall be recoverable as a debt due to the Authority from that licensee, and the licensee's liability to pay shall not be affected by its licence ceasing (for any reason) to be in force.

Appeal to Minister

17.—(1) Any licensee aggrieved by —

- (a) any licence condition imposed by the Authority under section 15(g) or (h);
- (b) any addition, deletion or modification of the terms or conditions of its licence under section 15A;
- 5 (c) any code of practice as issued, approved or modified by the Authority under section 15B;
- (d) any direction given by the Authority under section 15C;
- (e) any decision made by the Authority under section 16(1)(i), (ii) or (iii); or
- 10 (f) the refusal of the Authority to renew its licence,

may, within 14 days of the receipt of the notice relating to the relevant matter, appeal to the Minister.

15 (2) Except as provided in section 15A(5) or unless the Minister otherwise directs, where an appeal is lodged by a licensee under this section, the licensee shall continue to comply with any licence condition, code of practice, direction, decision or refusal being appealed against, until the determination of the appeal.

20 (3) The Minister may determine an appeal under this section by confirming, varying or reversing any decision of the Authority or by amending any licence condition, code of practice or direction affecting the licensee.

(4) The decision of the Minister in any appeal shall be final.”.

EXPLANATORY STATEMENT

This Bill seeks to amend the Rapid Transit Systems Act (Cap. 263A).

Clause 1 relates to the short title and commencement.

Clause 2 amends section 15 to empower the Authority to impose conditions relating to the following matters when granting a licence to operate any rapid transit system:

- (a) the approval by the Authority of the appointment, re-appointment or removal of any person as the chairman or as a director of the licensee;

- (b) the control and restriction on the creation, holding or disposal of shares in the licensee or its shareholders, or of interests in the undertaking of the licensee or any part thereof;
- (c) the restriction on the carrying on by the licensee of any trade or business not related to the activity which the licensee is authorised by its licence to carry on; and
- (d) the standards of performance to be complied by the licensee in the maintenance or operation of the rapid transit system or the provision of rapid transit system services.

Clause 3 inserts 3 new sections, namely sections 15A, 15B and 15C, and repeals and re-enacts sections 16 and 17.

The new section 15A empowers the Authority to add, delete or modify the terms or conditions of a licence granted under section 13 and provides for the procedure by which such terms or conditions may be added, deleted or modified.

The new section 15B empowers the Authority to issue or approve and from time to time modify codes of practice in connection with —

- (a) the maintenance or operation of rapid transit systems and any equipment relating thereto;
- (b) the provision of rapid transit system services;
- (c) the conduct of licensees; and
- (d) the safety of persons who use or who are engaged in any work on the rapid transit system.

The new section 15C empowers the Authority to give directions to be observed by licensees for or in respect of the following matters:

- (a) the extent, hours and general level of the services to be provided by licensees;
- (b) the extension of the operating hours of the services provided by the licensees;
- (c) the maintenance and operation of the rapid transit system; and
- (d) any other matters affecting the interests of the public in connection with the services provided by licensees.

The new section 16 provides for the measures by which the Authority may deal with errant licensees and spells out the circumstances under which and the procedure by which the Authority may —

- (a) suspend or cancel the licence of a licensee;
- (b) forfeit the whole or any part of any security deposited by a licensee; or
- (c) require a licensee to pay a financial penalty not exceeding \$1 million.

The new section 17 provides for an appeal to the Minister from—

- (a) any licence condition imposed by the Authority under section 15(g) or (h);
- (b) any addition, deletion or modification of the terms or conditions of its licence under section 15A;
- (c) any code of practice as issued, approved or modified by the Authority under section 15B;
- (d) any direction given by the Authority under section 15C;
- (e) any decision made by the Authority under section 16(1)(i), (ii) or (iii); or
- (f) the refusal of the Authority to renew its licence.

EXPENDITURE OF PUBLIC MONEY

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