

# Postal Services (Amendment) Bill

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**Bill No. 22/2007.**

*Read the first time on 21st May 2007.*

A BILL

*intituled*

An Act to amend the Postal Services Act (Chapter 237A of the 2000 Revised Edition) and to make consequential amendments to certain other written laws.

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 Postal Services (Amendment) Act 2007 and shall come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

### 5 Amendment of section 2

2. Section 2 of the Postal Services Act (referred to in this Act as the principal Act) is amended—

(a) by inserting, immediately before the definitions of “code of practice” and “standard of performance” in subsection (1), the following definition:

““addressee”, in relation to a postal article, means the person to whom the communication is addressed;”;

(b) by inserting, immediately after the definitions of “code of practice” and “standard of performance” in subsection (1), the following definitions:

““correspondent”, in relation to a postal article, means the sender or person to whom it is addressed;

“direct mail” means a letter consisting solely of advertising, marketing or publicity material and comprising an identical message (except for the addressee’s name, address and identifying number and other modifications which do not alter the nature of the message) which is sent to more than one addressee, to be conveyed and delivered at the address indicated by the sender on the letter itself or on its wrapping;”;

(c) by deleting the definitions of “letter” and “mail bag” in subsection (1) and substituting the following definitions:

““letter box” means any box or receptacle which the owner or occupier of any premises has provided or agreed to be used for the receipt of postal articles addressed to those premises;

“mail bag” means any form of container or covering in which postal articles in the course of transmission by post are enclosed by a postal licensee in Singapore or a foreign postal administration for the purpose of

conveyance by post, whether or not it contains any such articles;”;

(d) by deleting the definitions of “post” and “post office” in subsection (1) and substituting the following definitions:

5 “post” means any system for the collection, despatch, conveyance, sorting, handling and delivery of postal articles by or through a postal licensee;

“post office” includes any building, house, room, vehicle or place used for the provision of any postal services;”;

10 (e) by deleting the definitions of “postal service”, “postcard” and “posting box” in subsection (1) and substituting the following definitions:

15 “postal service” means any service for the conveyance of postal articles from one place to another by post, and includes the incidental services of receiving, collecting, sorting, sending, despatching and delivering such postal articles and any other services which relates to any of those services and is provided in conjunction with any of them;

20 “posting box” includes any pillar box, wall box or other box or receptacle provided by or under the authority of a postal licensee for the purpose of receiving postal articles for transmission by post;”;

25 (f) by inserting, immediately after the definition of “repealed Act” in subsection (1), the following definition:

“sender”, in relation to a postal article, means a person whose communication it originates from;” and

(g) by deleting subsection (2) and substituting the following subsections:

30 “(2) In this Act, unless the context otherwise requires, “letter” means any communication in written form on any kind of physical medium to be conveyed and delivered (otherwise than electronically) to a particular addressee or address indicated by the sender on the letter itself or on its wrapping, and includes a postal article containing such communication,

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but does not include any book, catalogue, newspaper or periodical.

5 (3) For the purposes of subsection (2), any reference to communication to be conveyed or delivered otherwise than electronically shall be a reference to a communication to be conveyed or delivered otherwise than —

(a) by means of a telecommunication system within the meaning of the Telecommunications Act (Cap. 323);  
or

10 (b) by any other means but while in electronic form.

(4) For the purposes of this Act —

15 (a) the deposit of a postal article into any posting box of a postal licensee, or its delivery to any employee of a postal licensee or any agent authorised by the postal licensee to receive postal articles of that description on its behalf, shall be a delivery to the postal licensee;

(b) the delivery of a postal article —

20 (i) by leaving it at the premises to which it is addressed or redirected, unless the premises are a post office from which the postal article is to be collected;

(ii) by depositing it into the letter box of the premises to which it is addressed or redirected; or

25 (iii) to the addressee's agent or to any other person considered to be authorised to receive the postal article,

shall be a delivery to the addressee; and

30 (c) a postal article shall be regarded to be in the course of transmission by post from the time of its being delivered to a postal licensee to the time of it being delivered to the addressee, or it being returned to the sender or otherwise disposed of under this Act.”

## **New Part IA**

**3.** Section 3 of the principal Act is repealed and the following Part substituted therefor:

### **“PART IA**

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### **POSTAL AUTHORITY**

#### **Postal Authority**

**3.** The Info-communications Development Authority of Singapore shall be the Postal Authority responsible for the administration of this Act.

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#### **Functions and duties of Postal Authority**

**3A.—(1)** It shall be the function and duty of the Postal Authority —

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(a) to promote the efficiency and international competitiveness of the postal industry in Singapore;

(b) to ensure that postal services are reasonably accessible to all people in Singapore, and are supplied as efficiently and economically as practicable and at performance standards that reasonably meet the social, industrial and commercial needs of Singapore;

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(c) to promote the development of postal systems and postal services in accordance with, as far as practicable, recognised international standard practice;

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(d) to promote and maintain fair and efficient market conduct between persons engaged in commercial activities connected with the operation and provision of postal systems and postal services for the conveyance of letters in Singapore;

(e) to promote the effective participation of all sectors of the Singapore postal industry in markets, whether in Singapore or elsewhere;

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(f) to exercise licensing and regulatory functions in respect of postal systems and postal services in Singapore;

- (g) to exercise regulatory functions in respect of the determination and approval of prices, tariffs, charges and the provision of postal services and other related services;
- 5 (h) to act internationally as the national body representative of Singapore in respect of postal matters;
- (i) to advise the Government on national needs and policies in respect of all postal matters and on matters pertaining to the Postal Authority generally; and
- 10 (j) to further the advancement of technology relating to postal systems and postal services.

(2) In discharging the functions and duties imposed on it by subsection (1), the Postal Authority shall have regard —

- (a) to efficiency and economy;
- 15 (b) to the social, industrial and commercial needs of Singapore for postal services;
- (c) to the state of and trends in the development of postal systems and postal services and the evolution of standards and protocols used in the postal industry, both in Singapore and elsewhere;
- 20 (d) to fostering the development and expansion of postal services in the world in collaboration with foreign postal administrations, other countries and international organisations;
- 25 (e) to maintaining fair competition between persons engaged in the provision of postal systems and postal services for the conveyance of letters;
- (f) to enabling persons providing postal systems and postal services in Singapore to compete fairly in the provision of such systems and services outside Singapore;
- 30 (g) to the provision of postal services at rates consistent with efficient service;
- (h) to the promotion of research and development in the field of postal systems and postal services; and

- (i) to collaboration with educational institutions for the promotion of technical education in the field of postal systems and postal services.

(3) The Postal Authority may undertake such other functions as the Minister may from time to time, by notification published in the *Gazette*, assign to the Postal Authority, and in so doing, the Postal Authority shall be deemed to be fulfilling the purposes of this Act, and the provisions of this Act shall apply to the Postal Authority in respect of such functions.

(4) Nothing in this section shall be construed as —

- (a) imposing on the Postal Authority, either directly or indirectly, any form of duty or liability enforceable by proceedings before any court to which it would not otherwise be subject;

- (b) precluding the Postal Authority from interrupting, suspending or restricting any postal services provided by the Postal Authority; and

- (c) precluding the Postal Authority from ensuring the provision of any special service for any person or section of the public where the special service is required.

### **Powers of Postal Authority**

**3B.**—(1) Subject to the provisions of this Act, the Postal Authority may carry on such activities as appear to it to be advantageous, necessary or expedient for it to carry on for or in connection with the discharge of its functions and duties under this Act, and in particular, the Postal Authority may exercise any of the powers specified in the Schedule.

(2) This section shall not be construed as limiting any power of the Postal Authority conferred by or under any other written law.”.

### **Amendment of section 4**

**4.** Section 4 of the principal Act is amended —

- (a) by inserting, immediately after the word “collecting,” in subsection (1), the word “sorting,”;

- (b) by deleting the words “and postcards” wherever they appear in subsection (1); and
- (c) by deleting subsection (2) and substituting the following subsection:

5           “(2) Subject to the provisions of this Act, no person shall convey within Singapore any letter from one place to another (whether the place is within or outside Singapore), or perform such incidental services of receiving, collecting, sorting, sending, despatching and delivering letters, unless the person —

- (a) is the Postal Authority;
  - (b) holds a postal licence authorising him to do so; or
  - (c) is acting as an employee or agent of the Postal Authority, or of a person who is authorised under a postal licence to do so.”.
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#### **Amendment of section 5**

**5.** Section 5 of the principal Act is amended —

- (a) by deleting the words “or postcards or both” in paragraph (a);
- (b) by deleting the words “or postcards” in paragraph (a);
- 20 (c) by deleting paragraph (b) and substituting the following paragraph:
  - “(b) any letter solely concerning the affairs of either correspondent by an employee of either correspondent;”;
- 25 (d) by deleting the words “any letter or postcard” in paragraph (c) and substituting the words “the conveyance of any letter”;
- (e) by deleting the words “or postcard” wherever they appear in paragraph (c);
- (f) by deleting the full-stop at the end of paragraph (c) and substituting the word “; and”, and by inserting immediately

30           thereafter the following paragraph:

- “(d) the conveyance from one place to another of —
  - (i) any letter which weighs more than 500 grams;



(ii) any letter by direct mail;

(iii) any letter by the sender personally; or

(iv) any document in respect of which a method of service other than post is required or authorised by written law.”; and

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(g) by renumbering the section as subsection (1) of that section, and by inserting immediately thereafter the following subsection:

“(2) The Minister may, after consulting the Postal Authority, by order published in the *Gazette*, delete, vary or add to the exceptions in subsection (1).”.

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### **Amendment of section 6**

**6.** Section 6 of the principal Act is amended —

(a) by deleting subsection (1) and substituting the following subsection:

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“(1) The Postal Authority may, with the consent of or in accordance with the terms of any general authority given by the Minister, grant a licence (referred to in this Act as a postal licence) to any person or class of persons authorising the person or class of persons to do anything —

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(a) which would otherwise contravene section 4; and

(b) which is specified in the licence,

and any such postal licence may be granted without conditions or subject to such conditions as the Postal Authority thinks fit.”; and

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(b) by deleting subsection (6).

### **Amendment of section 8**

**7.** Section 8 of the principal Act is amended —

(a) by deleting the words “public postal licensee” in subsections (2) and (5)(b) and substituting in each case the words “postal licensee”;

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- (b) by deleting the words “and the compensation payable for any damage caused thereby; and” in subsection (2)(a) and substituting a semi-colon;
- (c) by inserting, immediately after paragraph (a) of subsection (2),  
5 the following paragraph:
  - “(aa) stating the compensation payable for any damage caused by the modifications proposed, where the postal licensee is a public postal licensee; and”;
- (d) by deleting subsection (4); and
- 10 (e) by deleting the words “subsection (4)” in subsection (5)(a) and substituting the words “section 56”.

### **Amendment of section 9**

#### **8. Section 9 of the principal Act is amended —**

- (a) by deleting the word “or” at the end of subsection (1)(b);
- 15 (b) by deleting paragraph (c) of subsection (1) and substituting the following paragraphs:
  - “(c) any direction of the Postal Authority given under section 25, 26D or 26F(2); or
  - (d) section 26B,”;
- 20 (c) by deleting “\$10,000” in subsection (1)(ii) and substituting the words “\$1 million”;
- (d) by deleting subsections (2) and (3) and substituting the following subsection:
  - “(2) Where the Postal Authority is satisfied that —
  - 25 (a) the person who is granted a postal licence is again likely to contravene, whether by act or omission, any condition, provision, direction or section referred to in subsection (1);
  - (b) the person who is granted a postal licence has gone  
30 into liquidation other than for the purpose of amalgamation or reconstruction;

(c) the person who is granted a postal licence is no longer in a position to comply with the provisions of this Act or the terms or conditions of his licence; or

(d) the public interest so requires,

5 the Postal Authority may, in lieu of an order or a financial penalty under subsection (1)(i) or (ii) or both, by notice in writing and without any compensation, do all or any of the following:

(i) cancel the licence or part thereof;

10 (ii) suspend the licence or part thereof for such period as it thinks fit;

(iii) reduce the period for which the licence is to be in force.”;

(e) by deleting the word “Authority” in subsection (4)(c) and substituting the words “Postal Authority”; and

15 (f) by inserting, immediately after the words “an offence” in subsection (5), the words “and shall be liable on conviction to a fine not exceeding \$100,000 or to imprisonment for a term not exceeding 3 years or to both”.

20 **Amendment of section 10**

**9.** Section 10(2) of the principal Act is amended —

(a) by deleting the words “sections 2, 10, 11, 12, 13, 18 to 23” and substituting the words “sections 2, 10, 10A, 11, 12, 13, 18 to 21, 23”; and

25 (b) by inserting, immediately after the words “public postal licensees”, the words “or postal licensees”.

**New section 10A**

**10.** The principal Act is amended by inserting, immediately after section 10, the following section:

**“Charges and other terms for services provided by Postal Authority**

5 **10A.**—(1) The Postal Authority may make, in relation to any service provided by the Postal Authority under this Act, a scheme or schemes for determining either or both of the following:

(a) the charges which, except in so far as they are the subject of an agreement between the Postal Authority and a person availing himself of the service, are to be made by the Postal Authority;

10 (b) the other terms and conditions which, except as provided, are to be applicable to the service.

(2) A scheme made under this section may make different provision for different cases or classes of cases determined by, or in accordance with, the provisions of the scheme.

15 (3) A charge exigible by virtue of this section may be recovered by the Postal Authority in any court of competent jurisdiction as if it were a simple contract debt.

(4) A scheme or any amendment thereof made under this section shall come into operation on such date as may be determined by the Postal Authority.

20 (5) Nothing in this section shall be construed as prohibiting the Postal Authority from levying any charge or collecting any dues for anything done or any service rendered by reason only of not being incorporated in a scheme and the rates, charges and fees payable to the Postal Authority for any service rendered shall be in accordance with such rates, charges and fees as may, from time to time, be determined by the Postal Authority.”.

**Repeal and re-enactment of section 11**

30 **11.** Section 11 of the principal Act is repealed and the following section substituted therefor:

**“Power to specify documents for remittance of money**

**11.**—(1) A public postal licensee may provide for the remittance of any sum of money through the post or any electronic or other system

established by or among foreign postal administrations and postal licensees.

(2) A public postal licensee may specify the documents to be used in connection with the remittances under subsection (1).”.

5 **Amendment of section 13**

**12.** Section 13 of the principal Act is amended by deleting the words “public postal licensee” and substituting the words “postal licensee”.

**Repeal of sections 16 and 17 and new section 16**

10 **13.** Sections 16 and 17 of the principal Act are repealed and the following section substituted therefor:

**“Letter boxes**

**16.—**(1) The Postal Authority may, from time to time, do all or any of the following:

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- (a) issue or approve the specifications relating to the number, place, dimensions and other characteristics of letter boxes;
  - (b) approve the installation and use of such other mail delivery systems or arrangements;
  - (c) amend or revoke any specifications issued or approved under paragraph (a) or any approval under paragraph (b).

20 (2) Where any specifications are issued or approved, or amended or revoked by the Postal Authority under subsection (1), the Postal Authority shall —

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- (a) publish a notice of the issue, approval, amendment or revocation, as the case may be, of the specifications in such manner as will secure adequate publicity for such issue, approval, amendment or revocation;
  - (b) specify in the notice referred to in paragraph (a) the date of issue, approval, amendment or revocation, as the case may be; and
  - 30 (c) ensure that, so long as the specifications remain in force, the specifications, and all amendments to those specifications, are available for inspection by members of the public.

(3) A developer of any residential, commercial or industrial building shall —

- (a) provide one letter box for each lot within any residential building, and one letter box for the occupier of each lot within any commercial or industrial building;
- (b) ensure that the letter boxes provided under paragraph (a) are numbered in numerical sequence; and
- (c) comply with all specifications issued, approved or amended by the Postal Authority under subsection (1).

(4) Any developer who contravenes subsection (3) shall be guilty of an offence.

(5) It shall be the duty of —

- (a) the owner of any common property or limited common property, as the case may be, on which a letter box is situated, being a letter box which is provided for persons occupying the building or part thereof; and
- (b) the owner of a building where a letter box is provided for the owner or occupier of the building,

to keep at all times the lawful access to the letter box clear from any obstruction by any vehicle, debris, box or object or any other thing which would prevent or impede the delivery of postal articles to that letter box by a postal licensee.

(6) Where, in the opinion of the Postal Authority, the lawful access to any letter box referred to in subsection (5) is not clear from such obstructions mentioned in that subsection, the Postal Authority may, by notice in writing, require the owner of the common property or limited common property, or the owner or occupier of the building referred to in subsection (5)(b), as the case may be, to undertake, within such time as may be specified in that notice, such work or such rectification steps to ensure that subsection (5) is complied with.

(7) If any person on whom a notice under subsection (6) is served fails, without reasonable excuse, to comply with the requirements of that notice, that person shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 and, in the case of a continuing offence, to a further fine not exceeding \$25 for every day or part thereof during which the offence continues after conviction.

(8) For the avoidance of doubt, subsections (5), (6) and (7) shall not apply with respect to any sealing or locking of the aperture of a letter box by the person for whom the letter box is provided, or any closure or locking of any normal access to the letter box by or under lawful authority.

(9) In this section —

“commercial or industrial building” includes any shopping complex;

“common property”, “limited common property” and “owner” have the same meanings, respectively, as in the Building Maintenance and Strata Management Act 2004 (Act 47 of 2004).”.

### **Amendment of section 18**

**14.** Section 18 of the principal Act is amended by deleting the words “public postal licensee” and substituting the words “postal licensee”.

### **Repeal and re-enactment of section 19**

**15.** Section 19 of the principal Act is repealed and the following section substituted therefor:

#### **“Postage stamps**

**19.—(1)** No person other than the Postal Authority or a public postal licensee may cause postage stamps that bear the word “Singapore” in any language to be provided.

(2) Any person who contravenes subsection (1) shall be guilty of an offence.

(3) Any postage stamp provided under subsection (1) may be of such kind and may denote such values as the Postal Authority or public postal licensee may determine.

(4) Any postage stamp provided under this section shall be used for the prepayment of any postage or other sum chargeable under this Act in respect of any postal article to be conveyed and delivered by or through the Postal Authority or the public postal licensee, except where the Postal Authority or public postal licensee determines that prepayment may be made in some other manner.

(5) The design of every postage stamp provided by a public postal licensee under this section shall be approved by the Postal Authority.

(6) All philatelic archival materials produced by a public postal licensee shall belong to the Government, and all philatelic archival materials shall be kept in such custody as the Government directs.

(7) In subsection (6), “philatelic archival materials” includes —

(a) philatelic stamps;

(b) artworks, proofs, progressive sheets, printed sheets and printing plates of philatelic stamps; and

(c) date-stamps, slogan dies and other artifacts used in connection with the production of philatelic stamps.

(8) The Minister may, after consulting the Postal Authority, by order published in the *Gazette*, delete, vary or add to the items of “philatelic archival materials” specified in subsection (7).”.

### **Repeal of section 22**

**16.** Section 22 of the principal Act is repealed.

### **Amendment of section 23**

**17.** Section 23 of the principal Act is amended —

(a) by inserting, immediately after the words “public postal licensee” in subsection (1), the words “or otherwise dealt with in accordance with the directions of the Postal Authority”;

(b) by deleting the words “manner as the public postal licensee may direct” in subsection (3) and substituting the words “other manner as the Postal Authority may direct”; and

(c) by inserting, immediately after subsection (3), the following subsections:

“(4) The Postal Authority may, by order in writing, direct a postal licensee to detain and open all or any postal articles sent by any person or persons named in the order who are reasonably suspected of sending postal articles by post in contravention of this Act.

(5) Upon receipt of an order under subsection (4), a postal licensee shall detain and open the postal article or articles



specified in the order, and any postal article found to have been sent in contravention of this Act shall be dealt with in accordance with subsection (3).”.

### **Repeal and re-enactment of section 24**

5     **18.** Section 24 of the principal Act is repealed and the following section substituted therefor:

#### **“Codes of practice, etc.**

**24.**—(1) The Postal Authority may, from time to time —

- 10       (a) issue one or more codes of practice or standards of performance;
- (b) approve as a code of practice or standard of performance any document prepared by a person other than the Postal Authority if the Postal Authority considers the document as suitable for this purpose; or
- 15       (c) amend or revoke any code of practice or standard of performance issued under paragraph (a) or approved under paragraph (b),

with respect to all or any of the following:

- 20       (i) the operation of postal systems;
- (ii) the provision of postal services;
- (iii) the activities and conduct of postal licensees in the provision of postal services;
- 25       (iv) competition, abuse of a dominant position in the market for postal systems or postal services and fair market conduct in the provision of postal services in Singapore;
- (v) the acquisitions or consolidations involving a postal licensee and any other person (whether a postal licensee or otherwise);
- 30       (vi) the carrying out of the purposes and provisions of this Act and for the due administration thereof.

(2) A code of practice may, in particular, specify the duties and obligations of any person in relation to his business operation in so far as it relates to the provision of postal services.

(3) If any provision in any code of practice or standard of performance is inconsistent with any provision of this Act, such provision, to the extent of the inconsistency —

(a) shall have effect subject to the provisions of this Act; and

5 (b) having regard to the provisions of this Act, shall not have effect.

(4) Where a code of practice or standard of performance is issued, approved, amended or revoked by the Postal Authority under subsection (1), the Postal Authority shall —

10 (a) publish a notice of the issue, approval, amendment or revocation, as the case may be, of the code of practice or standard of performance in such manner as will secure adequate publicity for such issue, approval, amendment or revocation;

15 (b) specify in the notice referred to in paragraph (a) the date of issue, approval, amendment or revocation, as the case may be, and the place at and the time during which the code of practice or standard of performance which is the subject of the notice may be inspected; and

20 (c) ensure that, so long as the code of practice or standard of performance remains in force, copies of that code or standard, and of all amendments to that code or standard, are available for inspection by members of the public free of charge, and for purchase by members of the public at a  
25 reasonable price.

(5) No code of practice or standard of performance, no amendment to an approved code of practice or standard of performance, and no revocation of any such approved code of practice or standard of performance, shall have any force or effect as an approved code of  
30 practice or standard of performance until the notice relating thereto is published in accordance with subsection (4).

(6) Any code of practice or standard of performance issued or approved under this section shall not have legislative effect.

35 (7) Subject to subsection (8), every postal licensee shall comply with the relevant codes of practice and standards of performance issued or approved under this section.

(8) The Postal Authority may, either generally or for such time as the Postal Authority may specify, waive the application of any code of practice or standard of performance, or part thereof, issued or approved under this section to any postal licensee.

5 (9) In this section, “dominant position” means a dominant position in any market for postal systems or postal services, whether in Singapore or elsewhere.”.

### **Amendment of section 25**

19. Section 25 of the principal Act is amended —

- 10 (a) by deleting the word “or” at the end of subsection (1)(b);
- (b) by deleting paragraph (c) of subsection (1) and substituting the following paragraphs:
- “(c) to ensure the technical compatibility and safety of operation of any postal equipment or postal system;
- 15 (d) to ensure the co-ordination and co-operation, on such terms as the Postal Authority may specify, with any other person in the use or sharing of any installation, plant or system, or part thereof, owned or used by the postal licensee for the provision of any postal service;
- 20 or
- (e) in the public interest.”; and
- (c) by deleting subsection (4).

### **Amendment of section 26**

25 20. Section 26 of the principal Act is amended by inserting, immediately after subsection (1), the following subsection:

- “(1A) Advisory guidelines, for example, may be made about —
- (a) any matter in respect of which codes of practice and standards of performance may be made under section 24; or
- (b) the use, construction, design or performance of anything
- 30 relating to postal systems or postal services.”.

## **New Part IVA**

**21.** The principal Act is amended by inserting, immediately after section 26, the following Part:

### **“PART IVA**

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#### **CONTROL OVER DESIGNATED POSTAL LICENSEES**

#### **Interpretation of this Part**

**26A.—**(1) In this Part, unless the context otherwise requires —

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“12% controller”, in relation to a designated postal licensee, means a person, not being a 30% controller, who alone or together with his associates —

(a) holds 12% or more of the total number of voting shares in the designated postal licensee; or

(b) is in a position to control 12% or more of the voting power in the designated postal licensee;

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“30% controller”, in relation to a designated postal licensee, means a person who alone or together with his associates —

(a) holds 30% or more of the total number of voting shares in the designated postal licensee; or

(b) is in a position to control 30% or more of the voting power in the designated postal licensee;

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“associate” has the meaning given to that expression in regulations made under section 26H;

“consolidation” means any transaction —

(a) that results in a person —

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(i) becoming a 30% controller of a designated postal licensee;

(ii) acquiring the business of a designated postal licensee (or any part thereof) as a going concern; or

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(iii) obtaining effective control over a designated postal licensee; or

(b) that is prescribed by regulations made under section 26H, or that falls within a class of transactions prescribed in such regulations;

“designated postal licensee” means a postal licensee —

5 (a) which has been declared by the Postal Authority, by notification published in the *Gazette*, to be a designated postal licensee for the purposes of this Part; or

10 (b) which is within a class of postal licensees which has been declared by the Postal Authority, by notification published in the *Gazette*, to be a designated class of postal licensees for the purposes of this Part;

“effective control” has the meaning given to it in the code of practice referred to in section 26C;

15 “share” includes stock except where a distinction between stock and shares is expressed or implied;

“treasury share” has the same meaning as in section 4(1) of the Companies Act (Cap. 50);

“voting share” has the same meaning as in section 4(1) of the Companies Act, but does not include a treasury share.

20 (2) In relation to a designated postal licensee the whole or a portion of the share capital of which consists of stock, an interest of a person in any such stock shall be deemed to be an interest in an issued share in the designated postal licensee having the same nominal amount as the amount of that stock and having attached to it the same rights as  
25 are attached to that stock.

(3) The Postal Authority may, by notification published in the *Gazette*, vary or revoke any declaration of a designated postal licensee.

### **Control of acquisition of designated postal licensee**

30 **26B.**—(1) A designated postal licensee shall give notice in writing, in the prescribed manner and within the prescribed period, to the Postal Authority on the occasion when a person, whether by a series of transactions over a period of time or otherwise —

(a) first acquires 5% or more but less than 12% of the voting shares in the designated postal licensee; or

(b) first controls 5% or more but less than 12% of the voting power in the designated postal licensee.

5 (2) Subject to subsection (4), no person shall, whether through a series of transactions over a period of time or otherwise, become a 12% controller or a 30% controller of a designated postal licensee without obtaining the prior written approval of the Postal Authority in the prescribed manner and within the prescribed period.

10 (3) No person shall enter into any other transaction that constitutes a consolidation with a designated postal licensee without obtaining the prior written approval of the Postal Authority in the prescribed manner and within the prescribed period.

15 (4) To the extent that the holding of any shares or control of any voting power in a designated postal licensee under subsection (2) constitutes a consolidation with that designated postal licensee, the person and the designated postal licensee shall, in addition to the approval required under that subsection, obtain the prior written approval of the Postal Authority in the prescribed manner and within  
20 the prescribed period.

### **Power to issue code of practice relating to control of designated postal licensee**

25 **26C.**—(1) Without prejudice to the generality of section 24, the Postal Authority may issue a code of practice under that section which specifies such matters as are generally necessary for carrying out the purposes and provisions of this Part and for the due administration thereof.

(2) Without prejudice to the generality of subsection (1), the Postal Authority may specify in the code of practice —

30 (a) the circumstances under which a person would be considered to have entered into a consolidation with a designated postal licensee;

(b) the categories of persons that shall obtain the prior written approval of the Postal Authority for —

35 (i) any consolidation with a designated postal licensee; or

- (ii) an acquisition of the business of a designated postal licensee or part thereof;
- (c) the duties and obligations of a designated postal licensee and a person acquiring the business or part thereof as a going concern, holding any voting shares or controlling the voting power of a designated postal licensee;
- (d) the rules and procedures that a designated postal licensee and a person acquiring the business or part thereof as a going concern, holding any voting shares or controlling the voting power of a designated postal licensee must comply with; and
- (e) the terms and conditions which the Postal Authority may impose in granting any written approval under section 26B.

#### **Power to issue directions**

**26D.**—(1) Without prejudice to the generality of section 25, if the Postal Authority is satisfied that a person —

- (a) holds any voting shares or controls the voting power of a designated postal licensee; or
- (b) has entered into a consolidation with a designated postal licensee,

(referred to in this section as the specified person), in contravention of section 26B(2), (3) or (4), or that the holding, control, acquisition or consolidation is likely to substantially lessen competition or is against the public interest, the Postal Authority may issue a direction under subsection (3) or (4), as the case may be.

(2) The Postal Authority may issue a direction under subsection (3) or (4) if the Postal Authority is satisfied that —

- (a) any condition of written approval imposed on the person under section 26B has not been complied with;
- (b) the person has furnished false or misleading information or documents in connection with an application under section 26B to obtain the written approval of the Postal Authority; or

(c) the Postal Authority would not have granted its written approval under section 26B had it been aware, at that time, of circumstances relevant to the person's application for such approval,

5 and the existing holding, control, acquisition or consolidation in the designated postal licensee by the person is likely to substantially lessen competition or is against the public interest.

(3) The Postal Authority may, under the circumstances specified in subsection (1)(a) or (b) or (2), direct —

10 (a) the designated postal licensee to do all or any of the following:

(i) to restrict the specified person's voting power in respect of the shares he holds or controls in the designated postal licensee (referred to in this section as the specified shares), unless the Postal Authority expressly permits such rights to be exercised;

15

(ii) to restrict the issuance or offer of shares in the designated postal licensee (whether by way of rights, bonus or otherwise) in respect of the specified shares, unless the Postal Authority expressly permits such issue or offer;

20

(iii) except in a winding up of the designated postal licensee, to restrict the payment of any amount (whether by way of dividends or otherwise) in respect of the specified shares, unless the Postal Authority expressly authorises such payments subject to such conditions as the Authority may specify; and

25

(b) any specified person or an associate of the specified person to transfer or dispose of all or any part of the specified shares within such time and subject to such conditions as the Postal Authority considers appropriate.

30

(4) The Postal Authority may, under the circumstances specified in subsection (1) or (2), direct any specified person to transfer or dispose of all or any part of the business acquired from the designated postal licensee within such time and subject to such conditions as the Postal Authority considers appropriate.

35



(5) Before issuing a direction to any person under subsection (3) or (4), the Postal Authority shall, unless the Postal Authority decides that it is not practicable or desirable to do so, cause to be given to that person notice in writing of the Postal Authority's intention to serve the direction, specifying a date by which that person may make written representations with regard to the proposed direction.

(6) Upon receipt of any written representation referred to in subsection (5), the Postal Authority shall consider it for the purpose of determining whether to issue the direction.

(7) Any person to whom a direction is given under subsection (3) or (4) shall comply with the direction and the direction shall take effect notwithstanding the provisions of any other written law or anything contained in the memorandum or articles of association, or other constitution, of the designated postal licensee.

(8) The Postal Authority may vary or revoke any direction issued under this section.

(9) Where a person is alleged to have contravened section 26B(2), (3) or (4), it shall be a defence for the person to prove that —

(a) he was not aware that he had contravened the provision in question; and

(b) he has, within 14 days of becoming aware that he had contravened that provision, notified the Postal Authority of the contravention and, within such time as determined by the Postal Authority, taken such actions in relation to his shareholding or control of the voting power in the designated postal licensee as the Postal Authority may direct,

but it shall not be a defence for the person to prove that he did not intend to or did not knowingly contravene section 26B(2), (3) or (4), as the case may be, except as provided in this subsection.

### **Power to obtain information**

**26E.**—(1) Without prejudice to any other provision of this Act, the Postal Authority may, by notice in writing, direct any designated postal licensee to obtain from any of its shareholders and to transmit to the Postal Authority information —

(a) as to whether that shareholder holds any share in the designated postal licensee as a beneficial owner or trustee; and

(b) if the shareholder holds the share as a trustee, to indicate so far as he can, the person for whom he holds the share (either by name or by other particulars sufficient to enable that person to be identified) and the nature of his interest,

and the designated postal licensee shall comply with that direction within such time as may be specified in the notice.

(2) The Postal Authority may, by notice in writing, require any shareholder of a designated postal licensee to inform the Postal Authority whether he holds that interest as a beneficial owner or trustee, and if he holds the interest as a trustee, to indicate so far as he can, the person for whom he holds the interest (either by name or by other particulars sufficient to enable that person to be identified) and the nature of his interest.

(3) Any person who —

(a) fails to comply with a notice under this section; or

(b) in purported compliance of the notice, knowingly or recklessly, makes a statement which is false in a material particular,

shall be guilty of an offence and shall be liable on conviction —

(i) in the case of an individual, to a fine not exceeding \$125,000 or to imprisonment for a term not exceeding 3 years or to both and, in the case of a continuing offence, to a further fine not exceeding \$12,500 for every day or part thereof during which the offence continues after conviction; or

(ii) in any other case, to a fine not exceeding \$250,000 and, in the case of a continuing offence, to a further fine not exceeding \$25,000 for every day or part thereof during which the offence continues after conviction.

**Appointment of chief executive officer, director, etc., of designated postal licensee**

5 **26F.**—(1) No designated postal licensee shall appoint a person as its chief executive officer, its director or the chairman of its board of directors unless it has obtained the prior written approval of the Postal Authority.

10 (2) Where a person has been appointed by a designated postal licensee as its chief executive officer, its director, or the chairman of its board of directors without the prior written approval of the Postal Authority in contravention of subsection (1), the Postal Authority may issue a direction to the licensee to remove that person as its chief executive officer, its director or the chairman of its board of directors, as the case may be.

15 (3) This section shall have effect notwithstanding the provisions of any other written law or anything contained in the memorandum or articles of association, or other constitution, of the designated postal licensee.

(4) In this section —

20 “chief executive officer”, in relation to a designated postal licensee, means any person, by whatever name described, who —

(a) is in the direct employment of, or acting for or by arrangement with, the designated postal licensee; and

25 (b) is principally responsible for the management and conduct of any type of business of the designated postal licensee in Singapore,

and includes any person for the time being performing all or any of the functions or duties of a chief executive officer;

30 “director” has the same meaning as in section 4(1) of the Companies Act (Cap. 50).

**Power of Minister to issue written order relating to acquisition of assets, etc., of postal licensees**

35 **26G.**—(1) Subject to subsection (4), where a person acquires the assets or business of, or shares in, a postal licensee (referred to in this section as the relevant person), and the Minister is satisfied that —

- (a) the relevant person is not a fit and proper person; and
- (b) it is not in the national interest to allow the relevant person to continue to own the assets or business of, or to hold the shares in, that postal licensee,

5 the Minister may issue a written order to the relevant person, the postal licensee or both, directing the relevant person or that postal licensee or both to do all or anything specified in subsection (2).

(2) A written order under subsection (1) may direct a relevant person, a postal licensee or both to do all or any of the following:

- 10 (a) to transfer or dispose of all the assets, business or shares acquired by the relevant person in the postal licensee concerned, within such time and subject to such conditions as the Minister considers appropriate;
- (b) to transfer or dispose of any part of the assets, business or  
15 shares acquired by the relevant person in the postal licensee concerned only in such circumstances as the Minister considers appropriate.

(3) If a written order containing any direction specified in subsection (2)(a) or (b) concerning any shares in a postal licensee is  
20 issued, then notwithstanding the provisions of any other written law or anything contained in the memorandum or articles of association, or other constitution, of the postal licensee, the following shall apply for so long as those shares are not transferred or disposed of in accordance with the direction:

- 25 (a) no voting rights shall be exercisable in respect of those shares without the prior and express permission of the Minister;
- (b) no shares in the postal licensee shall be issued or offered (whether by way of rights, bonus or otherwise) without the  
30 prior and express permission of the Postal Authority; and
- (c) no payment shall be made by the postal licensee of any amount (whether by way of dividends or otherwise) in respect of those shares unless the postal licensee has the prior and express permission of the Minister to do so or the  
35 payment is upon the winding up of the postal licensee.

(4) Before issuing any written order under subsection (1), the Minister shall, unless he decides that it is not practicable or desirable to do so —

(a) give notice to the relevant person or postal licensee, as the case may be, of the proposed written order; and

(b) consider any written representation made in accordance with the notice in paragraph (a) and not withdrawn.

(5) The notice in subsection (4)(a) shall state —

(a) that the Minister intends to issue the written order; and

(b) the period within which written representations may be made in relation to the proposed written order.

(6) Any person to whom a written order is issued under subsection (1) shall comply with the written order, and the written order shall take effect notwithstanding the provisions of any other written law or anything contained in the memorandum or articles of association, or other constitution, of the postal licensee.

(7) Any person who contravenes subsection (6) shall be guilty of an offence and shall be liable on conviction —

(a) in the case of an individual, to a fine not exceeding \$125,000 or to imprisonment for a term not exceeding 3 years or to both and, in the case of a continuing offence, to a further fine not exceeding \$12,500 for every day or part thereof during which the offence continues after conviction; or

(b) in any other case, to a fine not exceeding \$250,000 and, in the case of a continuing offence, to a further fine not exceeding \$25,000 for every day or part thereof during which the offence continues after conviction.

### **Regulations for carrying out this Part**

**26H.**—(1) The Postal Authority may, with the approval of the Minister, make such regulations as are necessary or expedient for carrying out the purposes of this Part.

(2) Without prejudice to the generality of subsection (1), the regulations may prescribe —

- (a) the circumstances under which a person would be considered to be an associate for the purposes of this Part; and
- (b) the circumstances under which a person would be or considered to be in a position to control a percentage of the voting power in a designated postal licensee.”.

### **Amendment of section 28**

**22.** Section 28 of the principal Act is amended —

- (a) by deleting the word “letter” in paragraph (b) and substituting the words “postal article”; and
- (b) by deleting the words “and shall be liable on conviction to a fine not exceeding \$10,000 or to imprisonment for a term not exceeding 3 years or to both”.

### **Amendment of section 33**

**23.** Section 33 of the principal Act is amended —

- (a) by deleting the words “or postcard” in paragraphs (a) and (b);
- (b) by deleting the words “or postcards” in paragraph (c); and
- (c) by deleting the words “public postal licensee” in paragraph (c) and substituting the words “postal licensee”.

### **Repeal and re-enactment of section 34**

**24.** Section 34 of the principal Act is repealed and the following section substituted therefor:

#### **“Offences by officer, employee or agent of postal licensees**

**34.—(1)** Any officer, employee or agent of a postal licensee who —

- (a) destroys or throws away any postal article or anything contained therein;
- (b) commits theft in respect of or dishonestly misappropriates or secretes any postal article or anything contained therein;

(c) except in obedience to an order under the hand of the Minister or the direction of a court, wilfully opens or causes to be opened contrary to his duty any mail bag or postal article, or wilfully detains or delays or causes to be detained or delayed the mail bag or postal article; or

(d) issues or causes to be issued a document specified for use in connection with the remittance of money with fraudulent intent,

shall be guilty of an offence.

(2) Any officer, employee or agent of a postal licensee who —

(a) fraudulently puts any wrong official mark on a postal article;

(b) fraudulently alters, removes or causes to disappear any official mark on a postal article; or

(c) being entrusted with the delivery of any postal article, knowingly demands or receives any sum of money which is not chargeable under this Act,

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding 12 months or to both.

(3) Subsection (1) shall apply only to postal articles which an officer, employee or agent of a postal licensee has access to in the course of his employment as an officer, employee or agent of the postal licensee.”.

### **Amendment of section 35**

25 **25.** Section 35 of the principal Act is amended by deleting the words “and shall be liable on conviction to a fine not exceeding \$10,000 or to imprisonment for a term not exceeding 3 years or to both”.

### **Amendment of section 36**

**26.** Section 36(1) of the principal Act is amended —

30 (a) by deleting the words “a public postal licensee” in the 1st and 2nd lines of paragraph (a) and substituting the words “the Postal Authority”;

(b) by deleting the words “a public postal licensee” in paragraph (b) and substituting the words “the Postal Authority”; and

(c) by deleting the words “and shall be liable on conviction to a fine not exceeding \$10,000 or to imprisonment for a term not exceeding 3 years or to both” in the 13th, penultimate and last lines.

### **Amendment of section 37**

**27.** Section 37 of the principal Act is amended —

(a) by deleting the words “public postal licensee” in paragraphs (b) and (c) and substituting in each case the words “postal licensee”; and

(b) by deleting the words “and shall be liable on conviction to a fine not exceeding \$10,000 or to imprisonment for a term not exceeding 3 years or to both” in the 16th, penultimate and last lines.

### **Amendment of section 38**

**28.** Section 38 of the principal Act is amended —

(a) by deleting subsection (2) and substituting the following subsection:

“(2) No person shall make, issue or send by post any stamped, franked or embossed envelope, wrapper, card, form or paper in imitation of one issued by a postal licensee.”;

(b) by deleting the words “and shall be liable on conviction to a fine not exceeding \$10,000 or to imprisonment for a term not exceeding 3 years or to both” in subsection (3); and

(c) by deleting the words “public postal licensee” in subsection (4) and substituting the words “Postal Authority”.

### **Amendment of section 39**

**29.** Section 39 of the principal Act is amended by deleting the words “and shall be liable on conviction to a fine not exceeding \$10,000 or to imprisonment for a term not exceeding 3 years or to both”.



**Amendment of section 45**

**30.** Section 45 of the principal Act is amended —

- 5 (a) by deleting the words “a public postal licensee” in subsections (1) and (2) and substituting in each case the words “any postal licensee”;
- (b) by deleting the words “public postal licensee” in subsections (4) and (5) and substituting in each case the words “postal licensee”; and
- 10 (c) by deleting the words “public postal licensees” in subsection (6) and substituting the words “postal licensees”.

**Amendment of section 46**

**31.** Section 46 of the principal Act is amended —

- (a) by inserting, immediately after subsection (5), the following subsection:
  - 15 “(5A) The power under this section to require a person to produce a document includes the power —
  - (a) if the document is produced, to require such person, or any person who is a present or past officer of his or is or was at any time employed by him, to provide an explanation of the document; or
  - 20 (b) if the document is not produced, to require such person to state, to the best of his knowledge and belief, where it is.”;
- (b) by inserting, immediately after subsection (6), the following subsection:
  - 25 “(6A) If a person is charged with an offence under subsection (6) in respect of a requirement to produce any document or information under subsection (1), it shall be a defence for him to prove that —
  - 30 (a) the document was not in his possession or under his control;
  - (b) it was not reasonably practicable for him to comply with the requirement; or

(c) he had a reasonable excuse for failing to provide the information required.”; and

(c) by inserting, immediately after subsection (7), the following subsection:

5           “(8) In this section, “document” includes any electronic record within the meaning of the Electronic Transactions Act (Cap. 88).”.

#### **Amendment of section 47**

10       **32.** Section 47(3) of the principal Act is amended by deleting the words “34(a), (b), (c) and (d)” and substituting “34(1)”.

#### **Amendment of section 48**

**33.** Section 48 of the principal Act is amended by inserting, immediately after subsection (2), the following subsection:

15           “(3) In this section, “document” has the same meaning as in section 46(8).”.

#### **New section 48A**

**34.** The principal Act is amended by inserting, immediately after section 48, the following section:

##### **“Disposal of letters relating to offence under section 33**

20       **48A.** Where any letters connected with an offence under section 33 are seized under section 48 or any other written law, the Postal Authority may at any time, whether upon the conclusion of its investigation or otherwise, take such action as it deems appropriate to deliver any such letter to its intended addressee or return it to its  
25       sender.”.

#### **Amendment of section 50**

**35.** The principal Act is amended by renumbering section 50 as subsection (1) of that section, and by inserting immediately thereafter the following subsection:

30           “(2) In this section, “document” has the same meaning as in section 46(8).”.

### **Amendment of section 51**

**36.** Section 51 of the principal Act is amended by deleting subsection (1) and substituting the following subsections:

“(1) An officer or employee of the Postal Authority specially authorised by name in that behalf by the Postal Authority may, in his discretion, compound any offence under this Act which is prescribed as a compoundable offence by collecting from a person reasonably suspected of having committed the offence a sum not exceeding —

(a) \$5,000; or

(b) half the maximum fine prescribed for that offence,

whichever is the lower.

(1A) On payment of such sum of money, no further proceedings shall be taken against that person in respect of the offence.”.

### **Amendment of section 52**

**37.** Section 52 of the principal Act is amended by inserting, immediately after the words “to both”, the words “and, in the case of a continuing offence, to a further fine not exceeding \$1,000 for every day or part thereof during which the offence continues after conviction”.

### **Repeal and re-enactment of section 56**

**38.** Section 56 of the principal Act is repealed and the following section substituted therefor:

#### **“Appeal to Minister**

**56.—**(1) Any postal licensee who is aggrieved by —

(a) any decision of the Postal Authority in the exercise of any discretion vested in the Postal Authority by or under this Act; or

(b) anything contained in any code of practice or standard of performance under section 24 or 26C, or any direction of the Postal Authority given under section 25, 26D or 26F(2),

may, within 14 days after being notified of the decision or direction or the issue or approval of the code of practice or standard of performance, as the case may be, (or such longer period as the

Minister allows in exceptional circumstances, whether before or after the end of the 14 days), appeal to the Minister in the prescribed manner.

5 (2) Any person (other than a postal licensee) who is aggrieved by any decision or direction of the Postal Authority given by or under section 6(1), 9(1), 26B or 26D, may, within 14 days after being notified of the decision or direction (or such longer period as the Minister allows in exceptional circumstances, whether before or after the end of the 14 days), appeal to the Minister in the prescribed  
10 manner.

(3) Any person who makes an appeal to the Minister under subsection (1) or (2) shall, within the period specified therein —

- (a) state as concisely as possible the circumstances under which the appeal arises, the issues and grounds for the appeal; and
- 15 (b) submit to the Minister all relevant facts, evidence and arguments for or against the appeal, as the case may be.

(4) Where an appeal has been made to the Minister under subsection (1) or (2), the Minister may require —

- (a) any party to the appeal; and
- 20 (b) any person who is not a party to the appeal but appears to the Minister to have information that is relevant to the matters mentioned in that subsection,

to provide the Minister with all such information as he may require for the purpose of considering the appeal and making a determination  
25 for resolving it, and any person so required to provide such information must provide it in such manner and within such period as may be specified by the Minister.

(5) The Minister may reject any appeal of an appellant who fails to comply with subsection (3) or (4).

30 (6) Unless otherwise provided, where an appeal is lodged under this section, the decision, direction or other thing appealed against shall be complied with until the determination of the appeal.

(7) The Minister may determine an appeal under this section by confirming, varying or reversing any decision or direction of the

Postal Authority or by amending any code of practice or standard of performance.

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

### **Amendment of section 61**

5 **39.** Section 61(2) of the principal Act is amended —

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

“(d) the import, manufacture, sale, supply and use of franking machines;”;

10 (b) by inserting, immediately after the words “and postal articles” in paragraph (h), the words “, including facilitating access for postal licensees to letter boxes”; and

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

15 “(k) the fees and charges to be paid in respect of any matter or anything done, or any services rendered, by the Postal Authority under or by virtue of this Act, including a code of practice or standard of performance;

20 (l) the waiver or refund, in whole or in part, by authorised officers of the Postal Authority of any such fees in the circumstances of any particular case;

25 (m) the interest (such interest, if unpaid, to constitute a debt due to the Postal Authority and be recoverable as such) to be paid for late payment of any fees or charges prescribed under this Act.”.

### **New Schedule**

30 **40.** The principal Act is amended by inserting, immediately after section 62, the following Schedule:

## “THE SCHEDULE

Section 3B

## POWERS OF POSTAL AUTHORITY

- 5 1. To grant licences for postal services and purposes connected therewith under this Act and to supervise and enforce compliance with the provisions of such licences.
2. To give directions to any person granted a licence under this Act.
3. To levy such charges and fees for the granting of such licences and other services provided by the Postal Authority as may in its opinion be appropriate.
- 10 4. To regulate rates, charges and fees levied by operators of postal systems and postal services.
5. To issue or approve standards of performance, codes of practice and advisory guidelines relating to postal systems and postal services, or any other matter related to the functions of the Postal Authority.
- 15 6. To regulate the interconnection of and access to systems of operators of postal systems and postal services.
7. To regulate the sharing of installation or plant used for postal services between postal licensees.
- 20 8. To control and regulate the management and allocation of numbering plans and schemes for postal systems and postal services.
9. To issue postage stamps and to control and regulate the provision of stamps by postal licensees.
- 25 10. To levy such rates, charges and fees and to decide such rates or apportionment thereof as between itself and other foreign postal administrations as may in its opinion be appropriate.
11. To engage in conjunction with other statutory bodies or other foreign postal administrations and international agencies or organisations for the purposes of promoting postal systems and postal services.”.

30 **Savings and transitional provisions**

**41.**—(1) Any code of practice or standard of performance issued or approved under section 24 of the principal Act before the appointed day shall continue and be deemed to have been issued under the principal Act as amended by section 18 of this Act.

(2) Where any appeal has been made to the Minister under section 56 of the principal Act before the appointed day and the appeal has not been dealt with or disposed of immediately before that day, the appeal shall be dealt with in accordance with the principal Act as if this Act had not been enacted.

(3) This Act shall not affect —

(a) the continued operation or force of any order, direction or decision of the Postal Authority or the Minister made under the principal Act before the appointed day, or any right of appeal accrued before the appointed day in respect of any such order, direction or decision; and

(b) the continued operation or force of any order, direction or decision of the Postal Authority or the Minister made under any provision of the principal Act before the appointed day.

(4) Any person who, on the eve of the commencement of this Act, is in the business of conveying from one place to another any letter as defined by the principal Act as amended by section 2(g) of this Act, and the person was not required by the principal Act on that eve to obtain a postal licence may, for a period of 6 months from that commencement, continue to convey such letters and to perform all incidental services of receiving, collecting, sending, despatching and delivering such letters as if this Act had not been enacted.

(5) For a period of 2 years after the appointed day, the Minister may, by regulations, prescribe such other transitional, incidental and consequential matters arising from the amendment of the principal Act by this Act, as he may consider necessary or expedient.

(6) In this section, “appointed day” means the date of commencement of this Act.

### **Consequential amendments to other written laws**

**42.** The provisions of the Acts specified in the first column of the Schedule are amended in the manner set out in the second column thereof.

## THE SCHEDULE

Section 42

## CONSEQUENTIAL AMENDMENTS TO OTHER WRITTEN LAWS

<i>First column</i>	<i>Second column</i>
<p>(1) Bankruptcy Act (Chapter 20, 2000 Ed.)</p> <p>Section 115(1)</p>	<p>Delete the words “the public postal licensee under the Postal Services Act 1999 (Act 42 of 1999)” and substitute the words “a postal licensee under the Postal Services Act (Cap. 237A)”.</p>
<p>(2) Newspaper and Printing Presses Act (Chapter 206, 2002 Ed.)</p> <p>(a) Section 27(1)(a)</p> <p>(b) Section 34(1)(a)</p>	<p>Delete the words “a public postal licensee” and substitute the words “a postal licensee”.</p> <p>Delete the words “a public postal licensee” and substitute the words “a postal licensee”.</p>
<p>(3) Undesirable Publications Act (Chapter 338, 1998 Ed.)</p> <p>Section 8(1)(a)</p>	<p>Delete the words “a public postal licensee” and substitute the words “a postal licensee”.</p>

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EXPLANATORY STATEMENT

This Bill seeks to amend the Postal Services Act (Cap. 237A) for the following purposes:

- (a) to liberalise the basic mail services market in Singapore and foster competition in that market;
- (b) to liberalise the inbound and outbound international mail sector;
- (c) to de-regulate the delivery of letters weighing more than 500 grams and letters by direct mail;



- (d) to outline the functions, powers and duties of the Postal Authority, and to provide a clear channel for appeals against the Postal Authority's decisions;
- (e) to confer on the Postal Authority power to control mergers and acquisitions involving postal licensees and to set codes and standards concerning competition, abuse of market dominant positions and fair market conduct in the postal industry;
- (f) to enhance penalties for certain offences;
- (g) to confer on the Postal Authority and the public postal licensees the privilege of issuing national postage stamps; and
- (h) to provide clarity for access to letter boxes by postal licensees by requiring building owners and developers to make letter boxes accessible to postal licensees approved by the Postal Authority.

The Bill also makes consequential amendments to certain other written laws.

Clause 1 relates to the short title and commencement.

Clause 2 amends several definitions in the Act. The term "letter" is re-defined to exclude any book, catalogue, newspaper or periodical. The new definition of "letter" is also wider to include all postcards. Expressly excluded from the scope of the new definition are all communications sent and delivered by telecommunication systems or electronically, since the latter systems are regulated by other written laws. The definition of "post" has been widened to include the activity of sorting mail. There is also a new definition of "direct mail" as this activity will not be regulated.

In the interest of certainty for consumers, the deposit of a postal article into any posting box of a postal licensee, or its delivery to any employee of a postal licensee or any agent authorised by the postal licensee to receive postal articles of that description on its behalf, will be regarded as a delivery to the postal licensee. A postal article will be regarded as being in the course of transmission by post from the time it is delivered to a postal licensee to the time it is delivered to the addressee, or it is returned to the sender or otherwise disposed of. There is a similar provision dealing with delivery of postal articles to an addressee thereof.

Clause 3 repeals section 3 and inserts a new Part IA, which sets out the functions, powers and duties of the Postal Authority.

The new section 3 re-affirms that the Postal Authority is responsible for the administration of the Act. The Info-communications Development Authority of Singapore is the Postal Authority.

The new section 3A spells out the functions and duties of the Postal Authority. The Postal Authority is required to have regard to certain objects when discharging its functions or duties.

The new section 3B (read with the new Schedule which is inserted by clause 40) deals with the powers of the Postal Authority.

Clause 4 amends section 4 to make it clear that the exclusive privilege of the Postal Authority to convey letters includes the sorting of letters. The references to postcards in the section are deleted since the definition of “letter” has been widened to include postcards. Section 4 is also amended to make it clear that other than the Postal Authority or its agents and employees, no person can convey within Singapore any letter from one place to another (whether the place is within or outside Singapore), and no person can perform the incidental services of receiving, collecting, sorting, sending, despatching and delivering letters, unless the person holds a postal licence authorising him to do so, or he is acting as an employee or agent of the holder of a postal licence.

Clause 5 amends section 5 to clarify and expand the list of items which are not part of the exclusive privilege of the Postal Authority. Persons carrying out the receiving, collecting, sorting, sending, despatching and delivery of items in this exempt list do not require any postal licence. The new exempt items are the conveyance of any letter weighing more than 500 grams, and the conveyance of letters by direct mail. The list of exempt items may be changed by subsidiary legislation made by the Minister, after consulting the Postal Authority. The references to postcards in section 5 are also deleted since the definition of “letter” has been widened to include postcards.

Clause 6 amends section 6 to make it clear that the Postal Authority may, with the consent of the Minister, issue postal licences to any person or class of persons authorising that person or class of persons to do anything which would otherwise contravene section 4 and which is specified in the postal licence. A postal licence may be granted with or without conditions. The Postal Authority retains unchanged the power to designate a postal licensee to be the public postal licensee.

Clause 7 amends section 8 which deals with modifications to postal licence conditions. The scope of the provision is expanded to apply to all postal licensees, and not just the public postal licensee. Before any modification may be effected by the Postal Authority, the Postal Authority must give notice of the proposed modification to the affected postal licensee and allow the postal licensee time (not less than 28 days) to make representations regarding the proposed modification. However, where the affected postal licensee is a public postal licensee, the Postal Authority is required to also state the compensation payable for any damage caused by the proposed modification.

Clause 8 amends section 9 which deals with the power of the Postal Authority to suspend or cancel postal licences following breaches of postal licence conditions or contraventions of the Postal Authority’s directions. Additional grounds for suspending or cancelling postal licences are introduced as a consequence of the new powers and functions of the Postal Authority (in the new Part IVA) regarding mergers and acquisition of postal licensees. The maximum amount of financial penalty that the Postal Authority may impose on a postal licensee (in lieu of suspension or cancelling the licence) is raised from \$10,000 to \$1 million. The Postal Authority is also given the additional power to shorten the period of postal licensees in response to any such breach or contravention.

Clause 9 amends section 10(2) as a consequence of the insertion of the introduction of a new section 10A and the repeal of section 22.

Clause 10 inserts a new section 10A which allows the Postal Authority to establish schemes of charges and other terms and conditions for services provided by the Postal Authority under the Act.

Clause 11 repeals and re-enacts section 11 to clarify that a public postal licensee may provide for the remittance of any sum of money through the post or any electronic or other system established by or among foreign postal administrations and postal licensees.

Clause 12 amends section 13 (relating to examination of postal articles by or under the authority of the Director-General of Customs) to extend it to postal articles in the custody of a postal licensee, and not just the public postal licensee.

Clause 13 repeals sections 16 and 17 and re-enacts a new section 16.

Section 16 is repealed because after liberalisation of the basic mail services market in Singapore, the public postal licensee may not be the only operator using franking machines. Franking machines will be used by the various postal operators as a means of collecting payment. The controls in section 16 with regard to the import, manufacture and sale of franking machines are no longer relevant. Power will be given instead for regulations to be made, if necessary, to control such activities as and when a need arises (see clause 39).

Section 17 (which relates to letter boxes) is replaced by a new section 16 which allows the Postal Authority to issue, approve or amend specifications regarding letter boxes and ensure that these are publicly accessible. A developer of any residential, commercial or industrial building must provide the requisite number of letter boxes for their projects, ensure that the letter boxes are numbered in numerical sequence and in compliance with all specifications issued, approved or amended by the Postal Authority. Failure to do so will be an offence. It is also the duty of the owner of any common property or limited common property, as the case may be, where a letter box is situated on the common property or limited common property within a building, being a letter box which is provided for persons occupying the building or part thereof to keep the lawful access to the letter box clear from any obstruction by any vehicle, debris, box or object or any other thing which would prevent or impede the delivery of postal articles to that letter box by a postal licensee. The Postal Authority may issue notices to any of these persons if the Postal Authority is of the opinion that lawful access to any letter box is so obstructed. It is an offence to fail to comply with the notice, unless there is a reasonable excuse. The penalty is a fine not exceeding \$5,000 and, in the case of a continuing offence, to a further fine not exceeding \$25 for every day or part thereof during which the offence continues after conviction.

Clause 14 amends section 18 (concerning the erection, relocation and removal of posting boxes and postal label vending machines) to apply it to postal licensees, and not just public postal licensees.

Clause 15 repeals and re-enacts section 19 on the provision of postage stamps. The new section 19 confers on the Postal Authority and the public postal licensees the privilege of issuing national postage stamps. Postal licensees are not prohibited from issuing stamps, but not national postage stamps.

Clause 16 repeals section 22 which concerns suspension or modification of postal services. It is already a postal licence condition to obtain the Postal Authority's approval before suspending or modifying postal services.

Clause 17 amends section 23 to expand the scope of provisions relating to postal articles sent in contravention of the Act to all postal licensees, and not just the public postal licensee. The Postal Authority can direct a postal licensee to detain and open any postal article sent in contravention of the Act.

Clause 18 repeals and re-enacts section 24, which relates to codes of practice and standards of performance. The Postal Authority is conferred power to issue one or more codes of practice or standards of performance, or to approve as a code of practice or standard of performance any document prepared by others. The Postal Authority can also amend or revoke any such code of practice or standard of performance so issued or approved. These codes or standards can deal with various aspects relating to postal services and postal systems. The new aspects are competition, abuse of a dominant position in the market for postal systems or postal services, fair market conduct in the provision of postal services in Singapore, and the acquisitions or consolidations involving postal licensees and any other person (who may or may not be a postal licensee), which are more particularly described in the new Part IVA. These codes of practice and standards of performance are not subsidiary legislation.

Clause 19 amends section 25 which allows the Postal Authority to issue directions to be observed by postal licensees. The new aspects which the directions can cover include ensuring the technical compatibility and safe operation of any postal equipment or postal system, and ensuring the co-ordination and co-operation, on such terms as the Postal Authority may specify, with any other person in the use or sharing of any installation, plant or system owned or used by a postal licensee in the provision of any postal service.

Clause 20 amends section 26 on advisory guidelines. The guidelines can cover any matter in respect of which codes of practice or standards of performance may be made, and the use, construction, design or performance of anything relating to postal systems or postal services.

Clause 21 inserts a new Part IVA which sets out the Postal Authority's new powers to control mergers and acquisitions involving postal licensees similar to that in the telecommunication sector, and to review acquisitions and consolidations involving postal licensees so as to address ownership changes that raise regulatory concerns or have an impact on national interest.

The new section 26A defines certain terms used in the Part and provides for the making, variation or revocation of a declaration of a designated postal licensee.

The new section 26B sets out the obligation for notifying and obtaining the Postal Authority's approval for acquisitions and consolidations of a designated postal licensee. A person must obtain the prior written approval of the Postal Authority if he becomes a 12% controller or a 30% controller of a designated postal licensee. To the extent that the acquisition of an ownership interest in the voting shares in a designated postal licensee constitutes a consolidation with that licensee, the person must also obtain the prior written approval of the Postal Authority. In addition, a person must obtain the

prior written approval of the Postal Authority for the acquisition of the business (or part thereof) of a designated postal licensee conducted pursuant to a licence issued under the Act as a going concern.

The new section 26C clarifies that the Postal Authority may issue a code of practice to specify the implementation details of the new Part IVA.

The new section 26D empowers the Postal Authority, where any person has acquired any voting shares or voting power in, or the business of, or entered into a consolidation with, a designated postal licensee without obtaining the Postal Authority's approval in breach of the new section 26B, or where the acquisition or consolidation is likely to substantially lessen competition or is against the public interest, to issue directions for remedial action to a designated postal licensee or that person.

The new section 26E empowers the Postal Authority to require a designated postal licensee to provide information in relation to its shareholders and a shareholder of a designated postal licensee to provide information regarding his shareholding in the licensee.

The new section 26F requires a designated postal licensee to obtain the Postal Authority's prior written approval before any person can be appointed as chief executive officer, director or chairman of the board of directors of that licensee and empowers the Postal Authority to issue directions for the removal of a person from his appointment where the licensee has contravened that requirement.

The new section 26G empowers the Minister to order a person who acquires the assets, business or shares of a postal licensee (relevant person), the postal licensee concerned, or both, to take certain remedial actions if the Minister is satisfied that the relevant person is not a fit and proper person, and the continued ownership of the assets, business or shares by the relevant person is contrary to national interest.

The new section 26H empowers the Postal Authority to make, with the approval of the Minister, regulations necessary or expedient for carrying out the purposes of the new Part IVA.

Clause 22 amends section 28 by removing the custodial penalty for the offence of intentionally preventing or obstructing the transmission or delivery of postal articles or intercepting postal articles or committing mischief.

Clause 23 amends section 33 by removing the redundant references to postcards.

Clause 24 repeals and re-enacts section 34 to expand the scope of offences in the section to acts committed by officers, employees or agents of postal licensees, and not just public postal licensees, and to cover non-compliance with orders from the Postal Authority. The penalty for these offences will be that of the general penalty under section 52.

Clause 25 amends section 35 which concerns the offence of fraudulently sending a postal article. The penalty for the offence will be that of the general penalty under section 52.

Clause 26 amends section 36(1) which concerns the offences of wilfully retaining or secreting or making away with any postal article, or wilfully opening any letter which ought to have been delivered or preventing or impeding the due delivery of letters. The penalty for these offences will be that of the general penalty under section 52.

Clause 27 amends section 37 which concerns the offences of sending indecent or obscene postal articles, sending by post anything which is likely to damage any postal article in the course of transmission by post, or sending by post any explosive, inflammable, dangerous or noxious substance. The penalty for these offences will be that of the general penalty under section 52.

Clause 28 amends section 38 to make it an offence for a person to make, issue or send by post any stamped, franked or embossed envelope, wrapper, card, form or paper in imitation of one issued by a postal licensee. The penalty for the offence will be that of the general penalty under section 52.

Clause 29 amends section 39 concerning the offence of erasing any mark denoting a used postage stamp. The penalty for the offence will be that of the general penalty under section 52.

Clause 30 amends section 45 to enable the Minister to issue directions to postal licensees, and not just public postal licensees where it is expedient to do so on the occurrence of any public emergency, in the public interest or in the interests of public security, national defence or relations with the government of another country.

Clause 31 amends section 46 to provide that the power under that section to require a person to produce a document includes power to require the person to provide an explanation of the document, and if the document is not produced, to require the person to state to the best of his knowledge and belief where the document is. If a person is charged with an offence in respect of a requirement to produce any document or information, he has a defence if he can prove that the document was not in his possession or under his control, that it was not reasonably practicable for him to comply with the requirement, or that he had a reasonable excuse for failing to provide the information required. Finally, with the amendments to section 46, a "document" includes any electronic record within the meaning of the Electronic Transactions Act (Cap. 88).

Clause 32 amends section 47(3) as a consequence of the amendments to section 34.

Clauses 33 and 35 amend sections 48 and 50, respectively, to apply the powers of enforcement thereunder to electronic records, as provided in the amended section 46.

Clause 34 inserts a new section 48A which provides that where any letters connected with an offence under section 33 are seized, the Postal Authority may, whether upon the conclusion of its investigation or otherwise, take such action as it deems appropriate to deliver any such letter to its intended addressee or return it to its sender.

Clause 36 amends section 51 (which relates to composition of offences) by increasing the composition sum to \$5,000 or half the maximum fine prescribed for that offence, whichever is the lower. The present maximum composition sum is \$1,000.

Clause 37 amends section 52 (which prescribes a general penalty for offences under the Act or its regulations) by introducing a penalty for continuing offences, which is a further fine not exceeding \$1,000 for every day or part thereof during which the offence continues after conviction.

Clause 38 repeals and re-enacts section 56, which confers on postal licensees a right of appeal to the Minister against discretionary acts taken by the Postal Authority under the Act or against anything contained in a code of practice or standard of performance or a direction under section 24, 25, 26C, 26D or 26F(2).

Clause 39 amends section 61(2), which confers power on the Postal Authority to make regulations with the approval of the Minister. The new subject-matter of the regulations includes fees and charges to be paid in respect of any matter or anything done, or any services rendered, by the Postal Authority under or by virtue of this Act, including a code of practice or standard of performance, late payment fees and interest for fees and charges outstanding, as well as controls over the import, manufacture, sale, supply and use of franking machines.

Clause 40 inserts a new Schedule to the Act, setting out the powers of the Postal Authority.

Clause 41 is a savings and transitional provision dealing with various codes of practice or standards of performance issued or approved and appeals pending under the Act at the time of amendment.

Clause 42 makes consequential amendments to various other Acts.

## EXPENDITURE OF PUBLIC MONEY

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

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