

**VOTES AND PROCEEDINGS OF THE
THIRTEENTH PARLIAMENT OF SINGAPORE**

Second Session

THURSDAY, 26 MARCH 2020

No. 128

1.30 pm

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PRESENT:

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

Mr AMRIN AMIN (Sembawang), Senior Parliamentary Secretary, Ministry of Home Affairs and Ministry of Health.

Mr ANG HIN KEE (Ang Mo Kio).

Mr ANG WEI NENG (Jurong).

Mr BAEY YAM KENG (Tampines), Senior Parliamentary Secretary, Ministry of Transport and Ministry of Culture, Community and Youth.

Mr CHAN CHUN SING (Tanjong Pagar), Minister for Trade and Industry.

Mr CHEE HONG TAT (Bishan-Toa Payoh), Senior Minister of State, Ministry of Trade and Industry and Ministry of Education.

Miss CHENG LI HUI (Tampines).

Dr CHIA SHI-LU (Tanjong Pagar).

Mr CHONG KEE HIONG (Bishan-Toa Payoh).

Mr DESMOND CHOO (Tampines).

Mr DARRYL DAVID (Ang Mo Kio).

Mr CHRISTOPHER DE SOUZA (Holland-Bukit Timah).

Mr ARASU DURAISAMY (Nominated Member).

Mr CEDRIC FOO CHEE KENG (Pioneer).

Mr DOUGLAS FOO (Nominated Member).

Ms FOO MEE HAR (West Coast).

Ms GRACE FU HAI YIEN (Yuhua), Minister for Culture, Community and Youth and Leader of the House.

Mr GAN KIM YONG (Chua Chu Kang), Minister for Health.

Mr GAN THIAM POH (Ang Mo Kio).

Mr GOH CHOK TONG (Marine Parade).

Mr HENG CHEE HOW (Jalan Besar), Senior Minister of State, Ministry of Defence.

Mr HENG SWEE KEAT (Tampines), Deputy Prime Minister and Minister for Finance.

Mr TERENCE HO WEE SAN (Nominated Member).

Ms INDRANEE RAJAH (Tanjong Pagar), Minister, Prime Minister's Office, Second Minister for Finance and Second Minister for Education.

Dr INTAN AZURA MOKHTAR (Ang Mo Kio).

Mr S ISWARAN (West Coast), Minister for Communications and Information and Minister-in-charge of Trade Relations.

Dr JANIL PUTHUCHEARY (Pasir Ris-Punggol), Senior Minister of State, Ministry of Transport and Ministry of Communications and Information and Government Whip.

Mr KHAW BOON WAN (Sembawang), Coordinating Minister for Infrastructure and Minister for Transport.

Dr AMY KHOR LEAN SUAN (Hong Kah North), Senior Minister of State, Ministry of the Environment and Water Resources and Ministry of Health.

Dr KOH POH KOON (Ang Mo Kio), Senior Minister of State, Ministry of Trade and Industry.

Mr KWEK HIAN CHUAN HENRY (Nee Soon).

Dr LAM PIN MIN (Sengkang West), Senior Minister of State, Ministry of Health and Ministry of Transport.

Er Dr LEE BEE WAH (Nee Soon).

Mr DESMOND LEE (Jurong), Minister for Social and Family Development and Second Minister for National Development and Deputy Leader of the House.

Mr LEE HSIEN LOONG (Ang Mo Kio), Prime Minister.

Mr LEE YI SHYAN (East Coast).

Mr LIANG ENG HWA (Holland-Bukit Timah).

Mr LIM BIOW CHUAN (Mountbatten), Deputy Speaker.

Mr LIM HNG KIANG (West Coast).

Prof LIM SUN SUN (Nominated Member).

Ms SYLVIA LIM (Aljunied).

Dr LIM WEE KIAK (Sembawang).

Mr LOW THIA KHIANG (Aljunied).

Ms LOW YEN LING (Chua Chu Kang), Senior Parliamentary Secretary, Ministry of Education and Ministry of Manpower.

Dr MOHAMAD MALIKI BIN OSMAN (East Coast), Senior Minister of State, Ministry of Defence and Ministry of Foreign Affairs.

Mr MOHAMED IRSHAD (Nominated Member).

Mr MUHAMAD FAISAL ABDUL MANAP (Aljunied).

Assoc Prof Dr MUHAMMAD FAISHAL IBRAHIM (Nee Soon), Senior Parliamentary Secretary, Ministry of Education and Ministry of Social and Family Development.

Mr MURALI PILLAI (Bukit Batok).

Dr LILY NEO (Jalan Besar).

Mr NG CHEE MENG (Pasir Ris-Punggol), Minister, Prime Minister's Office.

Dr NG ENG HEN (Bishan-Toa Payoh), Minister for Defence.

Mr LOUIS NG KOK KWANG (Nee Soon).

Ms ANTHEA ONG (Nominated Member).

Mr ONG TENG KOON (Marsiling-Yew Tee).

Ms JOAN PEREIRA (Tanjong Pagar).

Mr LEON PERERA (Non-Constituency Member).

Ms DENISE PHUA LAY PENG (Jalan Besar).

Mr PNG ENG HUAT (Hougang).

Mr PRITAM SINGH (Aljunied).

Ms RAHAYU MAHZAM (Jurong).

Mr SAKTIANDI SUPAAT (Bishan-Toa Payoh).

Mr SEAH KIAN PENG (Marine Parade).

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

Ms SIM ANN (Holland-Bukit Timah), Senior Minister of State, Ministry of Communications and Information and Ministry of Culture, Community and Youth and Deputy Government Whip.

Mr SITO H YIH PIN (Potong Pasir).

Ms SUN XUELING (Pasir Ris-Punggol), Senior Parliamentary Secretary, Ministry of Home Affairs and Ministry of National Development.

Mr DENNIS TAN LIP FONG (Non-Constituency Member).

Ms JESSICA TAN SOON NEO (East Coast).

Mr SAM TAN CHIN SIONG (Radin Mas), Minister of State, Ministry of Foreign Affairs and Ministry of Social and Family Development.

Dr TAN WU MENG (Jurong), Senior Parliamentary Secretary, Ministry of Foreign Affairs and Ministry of Trade and Industry.

Mr PATRICK TAY TECK GUAN (West Coast).

Mr TEO CHEE HEAN (Pasir Ris-Punggol), Senior Minister and Coordinating Minister for National Security.

Dr TEO HO PIN (Bukit Panjang).

Mrs JOSEPHINE TEO (Bishan-Toa Payoh), Minister for Manpower and Second Minister for Home Affairs.

Mr TEO SER LUCK (Pasir Ris-Punggol).

Mr THARMAN SHANMUGARATNAM (Jurong), Senior Minister and Coordinating Minister for Social Policies.

Assoc Prof WALTER THESEIRA (Nominated Member).

Ms TIN PEI LING (MacPherson).

Mr EDWIN TONG CHUN FAI (Marine Parade), Senior Minister of State, Ministry of Law and Ministry of Health.

Mr VIKRAM NAIR (Sembawang).

Dr VIVIAN BALAKRISHNAN (Holland-Bukit Timah), Minister for Foreign Affairs.

Mr LAWRENCE WONG (Marsiling-Yew Tee), Minister for National Development and Second Minister for Finance.

Prof YAACOB IBRAHIM (Jalan Besar).

Mr ALEX YAM ZIMING (Marsiling-Yew Tee).

Mr YEE CHIA HSING (Chua Chu Kang).

Ms YIP PIN XIU (Nominated Member).

Mr MELVIN YONG YIK CHYE (Tanjong Pagar).

Mr ZAQY MOHAMAD (Chua Chu Kang), Minister of State, Ministry of National Development and Ministry of Manpower and Deputy Government Whip.

ABSENT:

Miss CHERYL CHAN WEI LING (Fengshan).

Mr CHEN SHOW MAO (Aljunied).

Mr CHARLES CHONG (Punggol East), Deputy Speaker.

Prof FATIMAH LATEEF (Marine Parade).

Assoc Prof DANIEL GOH PEI SIONG (Non-Constituency Member).

Mr LIM SWEE SAY (East Coast).

Mr MASAGOS ZULKIFLI B M M (Tampines), Minister for the Environment and Water Resources and Minister-in-charge of Muslim Affairs.

Mr ONG YE KUNG (Sembawang), Minister for Education.

Ms IRENE QUAY SIEW CHING (Nominated Member).

Mr ZAINAL SAPARI (Pasir Ris-Punggol).

1 Paper presented to Parliament and received by the Clerk of Parliament pursuant to Standing Order No. 31 (Presentation of Papers) and ordered to lie upon the Table:

1.1 Supplementary Estimates of Expenditure for the Financial Year 1 April 2020 to 31 March 2021 – Presented on 26 March 2020 (Cmd. 27 of 2020).

2 3 Questions for Oral Answer were answered during Question Time.

3 Economic Expansion Incentives (Relief from Income Tax) (Amendment) Bill – read a second time and committed to a Committee of the whole House.

The House immediately resolved itself into a Committee on the Bill – (Senior Minister of State (Mr Chee Hong Tat), on behalf of the Minister for Trade and Industry).

(In the Committee)

Clauses 1 to 8 inclusive agreed to.

Bill to be reported.

Bill reported, without amendment; read a third time.

4 Goods and Services Tax Voucher Fund (Amendment) Bill – read a second time and committed to a Committee of the whole House.

The House immediately resolved itself into a Committee on the Bill – (Second Minister for Finance (Mr Lawrence Wong)).

(In the Committee)

Clauses 1 to 3 inclusive agreed to.

Bill to be reported.

Bill reported, without amendment; read a third time.

5 Supplementary Supply (FY 2020) Bill – "to make supplementary provision to meet additional expenditure for the financial year 1 April 2020 to 31 March 2021" – President's recommendation signified and Bill presented by the Second Minister for Finance (Ms Indraneel Rajah); read the first time; to be read a second time after the conclusion of proceedings on the Supplementary Estimates of Expenditure for FY2020/21. [Bill No. 16/2020].

6 Estate Agents (Amendment) Bill – "to amend the Estate Agents Act (Chapter 95A of the 2011 Revised Edition)" – presented by the Minister of State, on behalf of the Minister for National Development; read the first time; to be read a second time on the next available sitting day and to be printed. [Bill No. 17/2020].

7 Rearrangement of Business – (Leader of the House) – Motion made, and Question put – Resolved, "That, under Standing Order 10(2), the Message from the President be taken now."

- 8 Message from the President addressed to Parliament – Mr Speaker made the following communication to the House:-

"I wish to inform hon Members that I have on 25 March 2020 received a Message from the President addressed to Members of Parliament. I will read the Message to hon Members:

'Mr Speaker. Hon Members. This is my first message to Parliament as custodian of the Government's past reserves. Shortly after this message, Deputy Prime Minister Heng Swee Keat will be announcing the Government's proposed measures under the second assistance package in response to the COVID-19 pandemic. The package, which is before this House for debate, is a substantial one. The Government has tabled a Supplementary Supply Bill to support the package, which is likely to result in a draw on past reserves, and I have given my in-principle support for the draw.

Since we established the reserves protection framework in 1991, we have had to draw on past reserves just once, during the Global Financial Crisis in 2009, when we used them to fund part of the Resilience Package. Then-President S R Nathan approved a draw of \$4.9 billion to fund two temporary and extraordinary measures. Apart from helping to avert an even sharper downturn and prevent a permanent damage to our economy, that draw was an instructive one on how we could operationalise the reserves protection framework. During that period, the Government also sought the President's concurrence to use \$150 billion of past reserves to back the Deposit Guarantee Scheme. The guarantee was not triggered, and there was no draw on past reserves.

But every situation is unique. Our current crisis is unparalleled in modern history. Governments around the world have had to think hard and make unprecedented moves over the past few weeks, such as locking down an entire country.

Similarly, my in-principle support for the Government's present proposal was given after careful deliberations, considering the grave circumstances and highly uncertain outlook. I have therefore agreed with the Prime Minister that I should send this message to Parliament to state my views on the Government's proposed draw on its past reserves. In particular, I want to share my considerations on whether the proposed draw is necessary, whether the measures will be effective and whether the process by which the Government has engaged me was a reasonable one. However, let me be clear upfront: my message is not meant to influence the Parliamentary discussion that follows. I urge hon Members of this House to debate the package rigorously and help sharpen the proposed measures, because ultimately we are all trying our best for Singapore and Singaporeans.

Under the Constitution, my custodial duty as the President is clear – I have the responsibility and discretion to withhold my assent to budgets and expenditures that are likely to lead to a drawing on past reserves. The question is, are we now faced with such exceptional circumstances that I should allow the draw on past reserves?

We ended 2019 on a cautiously optimistic note. It seemed then that the global economy was finally poised for recovery following a year of subdued growth caused by US-China trade tensions.

The COVID-19 outbreak totally changed that outlook. By mid-February, the situation was already rather gloomy. MTI had already had to downgrade the GDP forecast by one full percentage-point at that time. When the Government came to brief me about Budget 2020, we discussed the option of drawing on past reserves if the situation worsens, but did not do it immediately as current reserves were still sufficient for the scale of the package envisaged then.

However, since then, we have had successive waves of bad news. Just when the COVID-19 situation in China seemed to be stabilising, a new wave of cases started in the rest of the world. Europe has become a new epicentre. Cases in the US are growing quickly too. WHO has declared the outbreak as a pandemic. The drastic measures taken by countries to protect borders and lock down societies have had serious repercussions. Already overdue for a market correction, share markets worldwide have fallen sharply. We are faced with a double whammy of a worldwide public health emergency and a deepening economic crisis. This downturn is likely to be deeper and last longer than SARS and the 2009 Global Financial Crisis.

This economic shock is totally different from an ordinary business cycle downturn. From talking to Singaporeans and unions, it is clear to me that companies and workers are suffering badly. For example, the hotel occupancy rate is only 20% currently. Many airlines, including SIA, have grounded almost all their planes due to massive flight cancellations. Many self-employed workers in the gig economy are not getting jobs. Production lines in factories are stalling due to supply chain disruptions, exacerbating their already tight cash-flow situation.

We need to do our utmost to help our businesses and people quickly. It is a matter of survival.

With the unprecedented and rapidly worsening of the global situation, the Government has assessed that we need to implement a substantial second support package swiftly to stabilise our economy, keep as many workers as possible employed and help viable enterprises to survive. Deputy Prime Minister Heng will share the details of this second package later, but based on what he has briefed me, it is a substantial one – beyond the current reserves accumulated in this term of Government.

Our reserves were built up over the years through prudent spending and were set aside precisely to cater for rainy days. The situation we are heading into looks more like a thunderstorm than a drizzle.

In this crisis, it is the Government's responsibility to come up with relevant and impactful measures. Over the next few days, hon Members of this House will debate these measures. I urge you to debate robustly the merits of what are being proposed.

To arrive at my in-principle decision, I reviewed the Government's proposal with my Council of Presidential Advisers (CPA). We agreed that we need to help companies with their costs and cash-flow, to keep them afloat in the meantime. This is especially so for aviation, travel and tourism, and related industries, which are especially badly hit.

We also agree that our priority should be to help workers keep their jobs.

Let me also mention that I am satisfied with the process by which the Government has proactively reached out to me and the CPA in proposing this draw on past reserves.

Already a month ago, I have discussed this possibility with the Prime Minister and Deputy Prime Minister Heng. Two weeks ago, the Prime Minister sounded me out on the need for the second assistance package, which the Government was proposing to fund from a combination of current and past reserves. Thereafter, the various agencies including MOF, AGD, MTI, MAS, MOH, MOT and MOM briefed me and the CPA, and comprehensively answered our queries.

After the briefing, the CPA deliberated on the proposal to draw on past reserves to support the package. The CPA unanimously recommended that I give my in-principle support given the circumstances, and noted that the proposed measures are temporary in nature. I have independently come to the same conclusion. I have therefore given my in-principle support for the Government's proposal to draw on its past reserves.

The due process following this is that the Supplementary Estimates and Supplementary Supply (FY2020) Bill should first pass through this Parliament. If the Estimates and Bill pass the vote in this House, the Bill will be presented to me for the Presidential assent. At that stage, I will scrutinise it further, before giving my assent to the Bill.

Mr Speaker and hon Members, we are facing an unprecedented crisis. The closest historical precedent was the Spanish Flu in 1918. But with globalisation and more interconnected economies and people, we can expect the economic impact to be far worse this time.

COVID-19 cause deaths and suffering, so an economic cure though necessary is not sufficient. We also need a medical solution, as well as psychological and social ones.

Understandably, we are uncertain about what lies ahead of us. But we should not be fearful. We have done well as a nation. Internationally, our response to COVID-19 has been viewed as being systematic and effective. I am also glad that Singapore has banded together in fighting this disease. Singaporeans are responding calmly and responsibly. The Government has been open and transparent. And the community has stepped up to help those who may be more vulnerable. In these worst of times, I am heartened to see the best of Singaporeans.

I am confident that we will be able to get through this crisis together. It is not anybody's wish for a crisis to befall us, but from time to time, it is inevitable. When it happens, how we respond will define us as a nation. So, let us work together as one people and support one another on this journey. Let us overcome the crisis and emerge stronger and more cohesive as a nation.'".

- 9 Ministerial Statement – Additional Support Measures in Response to COVID-19 Pandemic – (Deputy Prime Minister and Minister of Finance).
- 10 Ministerial Statement – (Deputy Prime Minister and Minister of Finance) – Motion made, and Question proposed, "That the Ministerial Statement on Additional Support Measures in Response to COVID-19 Pandemic be considered by Parliament."
- 11 Adjournment of Debate – (Deputy Prime Minister and Minister of Finance) – Motion made, and Question put – Resolved, "That the debate be now adjourned."
- Debate to be resumed on Monday, 6 April 2020.
- 12 Adjournment to a Later Date – (Leader of the House) – Motion made, and Question put, Resolved, "That at its rising today, Parliament do stand adjourned to 12 noon on Monday, 6 April 2020."
- 13 Adjournment – (Leader of the House) – Motion made, and Question proposed, "That Parliament do now adjourn."; Debate arising.
- On Question put – Resolved, "That Parliament do now adjourn."

Adjourned at 5.26 pm

TAN CHUAN-JIN,
Speaker

MEMORANDUM

Mr Speaker will take the Chair again at 12 noon on Monday, 6 April 2020.
