

Media Statement from Acting Prime Minister Teo Chee Hean on the release of the Constitutional Commission's report – 7 Sep 2016

The Constitutional Commission, chaired by Chief Justice Sundaresh Menon, has issued a comprehensive and thoughtful report, after an extensive process to solicit views from the public.

Over a period of six months, it received over 100 written submissions and conducted four public hearings, which were extensively covered by the media.

As PM Lee Hsien Loong said in his letter to the Chief Justice, the Government accepts in principle the main recommendations of the Commission on the three specific aspects as set out in the Terms of Reference:

First, it is timely to update the eligibility criteria now.

Our GDP has grown more than 5 times¹ and our economy is more complex compared to 25 years ago. Our CPF balances² and official foreign reserves³ are now 7 times larger. The scale and complexity of the President's responsibilities have therefore consequently grown. The Commission has struck a balance in its recommendations on the eligibility criteria.

In 1993, 158 companies in Singapore met the \$100 million paid-up capital requirement. The Commission has raised the qualifying threshold to \$500 million shareholders' equity, which will include around 700 companies⁴, and probably even more. Thus, there will be more than four times the number of companies whose top executives would be eligible, compared to the criteria in 1993.

Second, the Commission has also suggested safeguards to ensure that members of any major racial community in Singapore can be elected President from time to time.

I am heartened that some, including Singaporeans from minority races, have argued passionately and sincerely, that we should uphold meritocracy by electing the best person, regardless of race.

¹ Nominal GDP - S\$ 71 bil (1990), S\$ 402 bil (2015)

² CPF Balance (Members' accounts) – S\$ 41 bil (1990), S\$ 275 bil (2015)

³ MAS official foreign reserves – S\$ 48 bil (1990), S\$ 351 bil (2015)

⁴ As of March 2016, there were 691 Singapore-incorporated companies with shareholders' equity at or exceeding S\$ 500 mil, Accounting and Corporate Regulatory Authority.

This response shows how far we have come in recognising the importance of the concept of meritocracy in Singapore. Nevertheless, we have always made sure that even as we practice meritocracy, all races in Singapore feel that they have a place and equal opportunities. Most people will accept that our GRC system, ensuring a minimum number of minority race MPs, was the right thing to do, and has indeed contributed to maintaining our harmonious multi-racial society, though some had objected when it was first introduced.

Similarly, every community in Singapore must feel that a member of their community has a chance to become President. Minority representation does not mean the qualifying criteria will be lowered. Every potential candidate, no matter his race, must still meet the same stringent eligibility criteria to qualify for elections.

Third, the Commission also made recommendations to improve the processes for advice from the Council of Presidential Advisers or CPA to be taken into account.

The government agrees in principle to the Commission's recommendations to streamline and simplify the CPA processes, and adopt a more consistent approach. But the details, e.g. whether to disclose individual votes, and whether different sized majorities in the CPA should carry different weights, will need to be studied carefully. We must ensure that whatever changes we make do not politicise the CPA.

In addition, though it wasn't in their terms of reference, the Commission has suggested that we revert to a President elected by Parliament.

But as PM Lee has pointed out in his TV interview, it would be extremely difficult for a President, when exercising his custodial powers over the reserves and key public service appointments, to disagree with an elected Government, unless the President himself has the moral authority of an electoral mandate.

The Government will publish a White Paper on 15 September 2016, setting out its detailed response to the Commission's report. Subsequently, the Government will table a Constitutional Amendment Bill in Parliament.

There will be ample opportunity for a full debate on this issue when the Bill is tabled for its Second Reading.