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Notification No. B 37 — The Lifelong Learning Endowment Fund Bill is hereby published for general information. It was introduced in Parliament on the 22nd day of November 2000.

Lifelong Learning Endowment Fund Bill

Bill No. 37/2000.

Read the first time on 22nd November 2000.

THE LIFELONG LEARNING ENDOWMENT FUND ACT 2000

(No. of 2000)

ARRANGEMENT OF SECTIONS

PART I

PRELIMINARY

Section

1. Short title and commencement
2. Interpretation

PART II

LIFELONG LEARNING ENDOWMENT FUND

3. Establishment of Lifelong Learning Endowment Fund
4. Capital money of Endowment Fund
5. Objects and application of income of Endowment Fund
6. Advisory Council

PART III

GENERAL FINANCIAL PROVISIONS

7. Expenses
8. Financial year of Endowment Fund
9. Accounts
10. No payment unless authorised by Minister
11. Appointment, powers and duties of auditor
12. Failure to furnish information to auditor
13. Presentation of annual report, financial statements and auditor's report to Parliament

PART IV

MISCELLANEOUS PROVISIONS

Section

14. Making of false statement, etc.
15. Offences by body corporate, etc.
16. Composition of offences
17. Regulations

The Schedule

A BILL

i n t i t u l e d

An Act to provide for the establishment of a Lifelong Learning Endowment Fund and for purposes connected therewith.

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

PART I

PRELIMINARY

5 **Short title and commencement**

1. This Act may be cited as the Lifelong Learning Endowment Fund Act 2000 and shall come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

Interpretation

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

“Council” means the Advisory Council established under section 6;

“Endowment Fund” means the Lifelong Learning Endowment Fund established under section 3. 5

PART II

LIFELONG LEARNING ENDOWMENT FUND

Establishment of Lifelong Learning Endowment Fund

3.—(1) There shall be established a fund to be called the Lifelong Learning Endowment Fund into which shall be paid — 10

(a) all capital money appropriated from time to time from the Consolidated Fund and authorised to be paid into the Endowment Fund by this Act or any other written law;

(b) all gifts or bequests given or made for the purposes of the Endowment Fund; and 15

(c) the net income from investments of capital money in the Endowment Fund.

(2) The Minister shall be responsible for the administration of the Endowment Fund and all moneys belonging to the Fund may be deposited in any bank and invested in any investment authorised under the Financial Procedure Act (Cap. 109). 20

(3) The Endowment Fund shall be regarded as a Government fund and as comprising public moneys for the purposes of any other written law. 25

Capital money of Endowment Fund

4.—(1) Upon the date of commencement of this Act, such sum as the Minister for Finance may determine out of moneys to be provided by Parliament shall be paid into the Endowment Fund as capital money. 30

(2) The Minister for Finance may from time to time pay into the Endowment Fund such sums of capital money as he may determine out of moneys to be provided by Parliament.

(3) Notwithstanding the terms of any gift or bequest, all gifts and bequests given or made for the purposes of the Endowment Fund shall be paid into the Fund as capital money.

(4) The capital money of the Endowment Fund shall not be used
5 for any purpose other than for investment.

(5) Where at any time there is a permanent diminution of the capital money of the Endowment Fund, the Minister shall, before paying out any income of the Fund, make good such diminution from the income of the Fund.

10 **Objects and application of income of Endowment Fund**

5.—(1) The objects for which the income of the Endowment Fund may be applied are —

(a) the acquisition of skills and expertise by persons, and the development and upgrading of skills and expertise of
15 persons, to enhance their employability; and

(b) the promotion of the acquisition, development and upgrading of skills and expertise to enhance the employability of persons.

(2) In carrying out the objects of the Endowment Fund, the Minister may, from time to time, authorise the income of the Fund to
20 be paid out and expended for all or any of the following purposes:

(a) the provision of financial assistance or incentives to persons to acquire, develop or upgrade, whether in Singapore or elsewhere, skills and expertise to enhance their employability;

25 (b) the research or development, whether in Singapore or elsewhere, in or of learning methods and technology to enhance the acquisition, development or upgrading of such skills and expertise;

30 (c) the promotion of the acquisition, development or upgrading of such skills and expertise;

(d) the provision of financial assistance or incentives to persons to carry out, whether in Singapore or elsewhere, activities or programmes which are consistent with the objects of the Fund;

- (e) the establishment, expansion or maintenance of facilities, whether in Singapore or elsewhere, to be used for purposes consistent with the objects of the Fund; and
- (f) such other purposes consistent with the objects of the Fund, whether carried out in Singapore or elsewhere, as may be prescribed. 5

Advisory Council

6.—(1) For the purpose of advising the Minister on the application of the income of the Endowment Fund, there shall be established an Advisory Council comprising such members as the Minister may appoint. 10

(2) The Minister shall appoint one of the members as chairman.

(3) The Schedule shall have effect with respect to the Council.

PART III

GENERAL FINANCIAL PROVISIONS

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Expenses

7. All expenses incurred in connection with the administration of the Endowment Fund, including the cost of auditing the accounts of the Fund, shall be defrayed out of the income of the Fund.

Financial year of Endowment Fund

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8. The financial year of the Endowment Fund shall begin on 1st April of each year and end on 31st March of the succeeding year except that the first financial year shall begin on the date of its establishment and end on 31st March of the succeeding year.

Accounts

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9.—(1) The Minister shall cause to be kept proper accounts and records of all transactions and affairs relating to the Endowment Fund and shall do all things necessary to ensure that all payments out of the Fund are correctly made and properly authorised and that adequate control is maintained over the assets and receipts of the Fund. 30

(2) The Minister shall, as soon as practicable after the close of each financial year, cause to be prepared and submitted financial statements in respect of that year to the auditor of the Endowment Fund.

5 **No payment unless authorised by Minister**

10. No payment shall be made out of the Endowment Fund unless such payment is authorised by the Minister.

Appointment, powers and duties of auditor

11.—(1) The accounts of the Endowment Fund shall be audited by the Auditor-General or such other auditor as may be appointed annually by the Minister in consultation with the Auditor-General.

(2) A person shall not be qualified for appointment as an auditor under subsection (1) unless he is an approved company auditor under the Companies Act (Cap. 50).

(3) The auditor or any person authorised by him is entitled at all reasonable times to full and free access to all accounting and other records relating, directly or indirectly, to the financial transactions of the Endowment Fund and may make copies of, or extracts from, any such accounting and other records.

(4) The auditor shall in his report state —

- (a) whether the financial statements show fairly the financial transactions and the state of affairs of the Endowment Fund;
- (b) whether proper accounting and other records have been kept, including records of all assets of the Endowment Fund;
- (c) whether receipts, expenditure, and investment of moneys and the acquisition and disposal of assets on account of the Endowment Fund during the financial year were in accordance with the provisions of this Act; and
- (d) such other matters arising from the audit as he considers necessary.

(5) The auditor shall —

- (a) as soon as practicable after the accounts have been submitted for audit, send a report of his audit to the Minister; and

- (b) submit such periodical and special reports to the Minister as may appear to him to be necessary or as the Minister may require.

(6) Where the Auditor-General is not the auditor of the Endowment Fund, a copy of the audited financial statements and any report made by the auditor shall be forwarded to the Auditor-General. 5

Failure to furnish information to auditor

12.—(1) The auditor or any person authorised by him may require any person to furnish him with such information in the possession of that person or to which that person has access as the auditor considers necessary for the purposes of his functions under this Act. 10

(2) Any person who fails, without reasonable excuse, to comply with any requirement of the auditor under subsection (1) or who otherwise hinders, obstructs or delays the auditor in the performance of his duties or the exercise of his powers shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$1,000. 15

Presentation of annual report, financial statements and auditor's report to Parliament

13. The Minister shall, as soon as practicable, cause an annual report in respect of the administration of the Endowment Fund during the preceding financial year to be prepared and shall present a copy of such report and of the audited financial statements and the auditor's report to Parliament. 20

PART IV

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MISCELLANEOUS PROVISIONS

Making of false statement, etc.

14. Any person who for any purpose connected with this Act —

- (a) knowingly makes any false statement to the Minister or a person authorised by him or to the auditor or a person authorised by him; or 30

(b) produces or furnishes or causes or knowingly allows to be produced or furnished to the Minister or a person authorised by him or to the auditor or a person authorised by him, any document which he knows to be false in a material particular,

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000.

Offences by body corporate, etc.

15.—(1) Where an offence under this Act or any regulations made thereunder has been committed by a body corporate, a partnership, or an unincorporated association of persons, any person who, at the time of the commission of the offence, was a director, manager, partner, secretary or other similar officer thereof, or was purporting to act in any such capacity, shall also be guilty of that offence and shall be liable to be proceeded against and punished accordingly unless he proves that —

(a) the offence was committed without his consent or connivance; and

(b) he had exercised all such diligence to prevent the commission of the offence as he ought to have exercised having regard to the nature of his functions in that capacity and to all the circumstances.

(2) In relation to a body corporate whose affairs are managed by its members, “director” means a member of a body corporate.

Composition of offences

16.—(1) The Minister or any person authorised by him may, in his discretion, compound any offence under this Act or any regulations made thereunder which is prescribed as a compoundable offence by collecting from a person reasonably suspected of having committed the offence a sum of money not exceeding \$500.

(2) On payment of such sum of money, no further proceedings shall be taken against such person in respect of such offence.

Regulations

17. The Minister may make such regulations as are necessary or expedient for the purpose of carrying out the provisions of this Act, and, in particular, the regulations may —

- (a) prescribe the procedure for payments out of the Endowment Fund; 5
- (b) provide for matters relating to applications for funds, financial assistance or incentives;
- (c) prescribe the procedure of the Council; and
- (d) prescribe anything which may be prescribed under this Act. 10

THE SCHEDULE

Section 6 (3)

ADVISORY COUNCIL

1.—(1) Subject to this paragraph, every member of the Council shall hold and vacate his office in accordance with the terms of his appointment and shall, on ceasing to be a member, be eligible for reappointment. 15

(2) Any member of the Council may resign his office at any time by giving notice in writing to the Minister.

(3) If the Minister is satisfied that a member of the Council —

- (a) is guilty of neglect of duty or misconduct; 20
 - (b) has become bankrupt or made an arrangement with his creditors;
 - (c) is incapacitated by physical or mental illness; or
 - (d) is otherwise unable or unfit to discharge the functions of a member,
- the Minister may remove him from office.

2. The validity of any proceedings of the Council shall not be affected by any vacancy among the members or by any defect in the appointment of any member. 25

3. At any meeting of the Council, one-half of the number of members shall constitute a quorum.

4. The arrangements relating to meetings of the Council shall be such as the Council may determine. 30

5. The chairman shall preside at all meetings of the Council at which he is present and, in his absence, the members present shall elect one of their number to act as chairman of that meeting.

THE SCHEDULE — *continued*

6. All questions arising at any meeting of the Council shall be decided by a majority of votes of the members present and, in the case of an equality of votes, the chairman or member presiding shall have a casting vote.

5 7. Subject to the provisions of this Act and any regulations made thereunder, the Council may regulate its own procedure in such manner as it thinks fit.

EXPLANATORY STATEMENT

This Bill seeks to establish an endowment fund for the purpose of supporting and promoting the training of persons to enhance their employability.

Part I (clauses 1 and 2) deals with preliminary matters.

Clause 1 relates to the short title and commencement.

Clause 2 defines certain terms used in the Bill.

Part II (clauses 3 to 6) establishes the Lifelong Learning Endowment Fund (the Fund) and deals with its objects and administration.

Clause 3 provides for the establishment of the Fund and for the Minister to be responsible for its administration. The Fund is deemed to be a Government fund and all moneys belonging to it may be deposited in any bank and invested in any investment authorised under the Financial Procedure Act (Cap. 109).

Clause 4 provides for the Government to pay into the Fund such sums of capital money to be determined by the Minister for Finance from time to time. The capital money of the Fund will not be used for any purpose other than for investment and where there is any permanent diminution of the capital money of the Fund, the Minister will make good such diminution from the income of the Fund.

Clause 5 sets out the objects and purposes for which the income of the Fund may be paid out and expended.

Clause 6 establishes an Advisory Council to advise the Minister on the application of the income of the Fund.

Part III (clauses 7 to 13) deals with general financial matters.

Clause 7 provides that all expenses incurred in connection with the administration of the Fund are to be met out of its income.

Clause 8 relates to the financial year of the Fund.

Clause 9 requires proper accounts and records of all transactions and affairs relating to the Fund to be kept.

Clause 10 provides that payments may only be made out of the Fund if authorised by the Minister.

Clause 11 deals with the audit of the accounts and records of the Fund by the Auditor-General or any other approved company auditor appointed by the Minister in consultation with the Auditor-General.

Clause 12 empowers the auditor or any person authorised by him to require any person to furnish him with such information as the auditor considers necessary for the purposes of his functions under the Bill. Failure to comply with such a requirement is an offence.

Clause 13 requires the Minister to cause an annual report in respect of the administration of the Fund to be prepared and to present to Parliament a copy of such report and of the audited financial statements and the auditor's report.

Part IV (clauses 14 to 17) deals with miscellaneous matters.

Clause 14 makes it an offence for a person to knowingly make any false statement or furnish any document which he knows to be false in a material particular.

Clause 15 provides for offences committed by a body corporate, partnership or unincorporated association and provides that any of its directors or similar officers will also be guilty of the offence committed by the body corporate, etc., unless he proves that the offence was committed without his consent or connivance, and that he had exercised diligence to prevent its commission.

Clause 16 empowers the Minister to compound any offence under the Bill or regulations made thereunder which is prescribed as a compoundable offence.

Clause 17 empowers the Minister to make regulations.

The Schedule sets out provisions dealing with membership and proceedings of the Advisory Council.

EXPENDITURE OF PUBLIC MONEY

This Bill will involve the Government in extra financial expenditure, the exact amount of which cannot at present be ascertained.

TABLE OF DERIVATIONS

<i>Clause</i>	<i>Section Number of the Medical and Elderly Care Endowment Schemes Act (Act 13 of 2000)</i>	<i>Section Number of the Education Endowment Scheme Act (Cap. 87A)</i>
1	—	—
2	—	—
3	s 18, 19	—
4	s 20	—
5	—	—
6	—	s 10
7	s 33 (1)	—
8	s 34	—
9	s 35	—
10	s 36	—
11	s 37	—
12	s 38	—
13	s 39	—
14	—	s 23
15	s 45	—
16	—	—
17	s 46	—