<u>Annex</u>

<u>Summary of Constitutional Amendments Relating to the Elected Presidency</u>

1. The Constitution was amended in 1991 to introduce the office of an Elected President.

2. The institution of the Elected President has continued to evolve over the past 2 decades. Constitutional amendments were made in 1994, 1996, 1998, 2001, 2002, 2004, 2007 and 2008 to refine the institution's role and powers. Some of the changes that these amendments introduced in relation to the Elected Presidency are summarised below.

3. <u>1994 Amendments</u>: Wide-ranging amendments were made relating to the Elected Presidency, mostly in connection with the financial safeguards:

    (i) To allow the transfer of reserves of key statutory boards and Government companies to the past reserves of the Government, without leading to a draw on the past reserves of the transferring entity.

    (ii) To omit Singapore Technologies Holdings Pte. Ltd. from the 5th Schedule to the Constitution.

    (iii) To require the President to publish his decision and opinion in the *Gazette* where he approves of any proposed transaction of a statutory board or Government company even though he is of the opinion that the past reserves of the board or company are likely to be drawn on.

    (iv) To clarify the basis of a presidential veto of the Supply Bill, etc and the making of advances from any Contingency Fund.

    (v) To provide for the contingency, where a Supply Bill is vetoed by the President and Parliament is unable to override the veto, by allowing the Government to spend up to the total amount authorised by the Supply law and all Supplementary Supply laws in the preceding financial year.

    (vi) To extend the presidential veto to guarantees given by the Government under the EDB Act and the JTC Act.

    (vii) To exclude the presidential veto for defence and security measures.

4. <u>1996 Amendments</u>: Wide-ranging amendments relating to the Elected Presidency were made following a constitutional reference to the constitutional tribunal.

(i) To resolve potential impasses between the President and the Executive over appointments, Parliament was vested with power to override the President's veto as regards key appointments in the Government, and key statutory boards and Government companies, if his veto is exercised contrary to the recommendation of the Council of Presidential Advisers ("CPA").

(ii) The CPA was enlarged from 5 to 6 members, with the additional member to be appointed by the President on the advice of the Chief Justice.

(iii) Finally, the original entrenchment mechanism introduced in 1991 was replaced with a new Article 5A and a new Article 5(2A). The President's power to veto Bills in Article 22H was also restricted to Bills other than constitutional amendments.

5. 1998 Amendments: The amendments made in this year include changes that:

(i) Included the Chief Valuer in the list of appointments which require the concurrence of the President.

(ii) Deleted the Post Office Savings Bank of Singapore ("POSB") from the 5th Schedule to the Constitution. This followed from the dissolution of POSB, and the transfer of its assets and undertakings to The Development Bank of Singapore Ltd.

6. 2001 Amendments: The amendments changed the tenures of the members of the CPA. Other amendments expanded the constitutional safeguards to net investment income ("NII") earned from past reserves. These amendments provided that not less than 50% of the NII derived from the past reserves of the Government each year will be reckoned as part of the Government's past reserves, even though the income was received in the current term of the Government.

7. 2002 Amendments: These changes followed from the merger of MAS and the Board of Commissioners of Currency ("BCCS"). BCCS was deleted from the 5th Schedule to the Constitution. An amendment was also made to enable a 5th Schedule statutory board (whose past reserves are safeguarded) to transfer its past reserves to the Government or to another such statutory board without being regarded as having drawn on its past reserves.

8. 2004 Amendments: Amendments were made to put in place a more comprehensive framework for the transfer of reserves between the Government, 5th Schedule statutory boards and 5th Schedule Government companies, without such transfers being regarded as a draw on their respective past reserves.

9. 2007 Amendments: These included amendments which:

(i) Expanded the President's constitutional power to veto key appointments, in tandem with other amendments that: (1) widened the membership of the Legal Service Commission ("LSC") to provide for the appointment of more members, and (2) enabled the devolution of LSC's powers to Personnel Boards for the Singapore Legal Service. The President's veto was extended to include these additional LSC members, and the members of the LSC Personnel Boards.

(ii) Provided for the appointment of alternate members to act in place of members of the CPA when anyone of them (other than the Chairman) is temporarily unable, whether by illness, absence or any other reason, to take part in any CPA proceedings.

10. <u>2008 Amendments</u>: These amendments introduced a new spending rule for the Government called the Net Investment Returns framework. The framework allows the Government to tap on more of the investment returns from our reserves, by spending on the basis of the long-term expected real returns on the net assets managed by GIC and MAS.