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Stricter guidelines for PAP MPs

They will have to declare annually to the party the company directorships they hold and fees and stock options received

By [Lydia Lim](#)

PEOPLE'S Action Party Members of Parliament will now have to declare to the party Whip every year the company directorships they hold and fees and stock options earned.

They are also barred from sitting on the boards of companies owned or chaired by grassroots leaders they have appointed.

These changes come as a result of tighter guidelines laid out by Prime Minister Goh Chok Tong in a letter to the MPs this week.

They are the two key refinements to the party's long-standing code on how MPs must keep their public political position separate from their private business or professional interests.

In a two-page letter dated April 27, Mr Goh noted that MPs are increasingly serving as directors of companies.

Many of them also work for private companies or do business on their own.

'This note is to remind MPs of the continuing critical importance of keeping their business and employment interest separate from their service as MPs,' wrote Mr Goh, who is the party's secretary general.

For the benefit of those who became MPs after 1997, he also summarised his previous public statements made in 1991 and 1997 on MPs' corporate dealings.

In January 1991, Mr Goh approved Ayer Rajah MP Tan Cheng Bock's request to serve as chairman of publicly-listed Chuan Hup Holdings. At the same time, he also made it clear that Dr Tan 'should not lobby any public officer in the course of your business'.

While Dr Tan could communicate with the ministers, 'ministers are not expected to change individual acts of discretion, unless there are very good reasons for doing so and they can justify their decisions publicly', Mr Goh said then.

In November 1997, Mr Goh wrote to former MP Heng Chiang Meng, who was then the president of the Real Estate Developers' Association of Singapore (Redas), over his statements on the property market. Mr Heng later resigned from his Redas post.

In Tuesday's letter, which was accompanied by the PM's earlier exchange of letters, Mr Goh stated that the principles he set out in 1991 and 1997 'are still valid today'.

'As several years have passed, and many MPs were elected after 1997, I have decided to update and consolidate

my earlier letters, and to revise the reporting requirements for MPs,' he wrote.

The revised guidelines note it is a good sign that 'private sector companies value PAP MPs' integrity and service, and reflects the high standing of the party and of PAP MPs in general'. The party supports the practice of MPs becoming directors, provided they follow strictly the rules set out.

The guidelines give the parameters within which MPs must operate. They are not to solicit for directorships 'lest they appear to be exploiting their political position to benefit themselves'.

Neither are they to sit on the boards of firms owned by their grassroots leaders, 'lest it gives rise to the perception that the MP is obligated to the grassroots leader'.

The guidelines also contain new reporting requirements for MPs holding directorships. By Jan 31 each year, they must submit to the party Whip, Dr Lee Boon Yang, a summary of their current directorships and the fees and stock options received in the previous year.

Since December 2001, MPs have been required to declare their directorships but not the fees received.

PAP MPs and private-sector players alike said they welcomed the revised guidelines as it was important for MPs to be transparent in their appointments.

Said MP Ong Kian Min: 'It is good to remind MPs and to let others know not to expect MPs to lobby the Government to do something in their favour.'

Most of the 25 MPs polled said they sit on the boards of one or two firms but a small handful have between six and 11 directorships.

At least one, Dr Wang Kai Yuen, will now resign from a board because of the new guideline on firms owned by grassroots leaders. 'It makes good sense because there might be a perception of a conflict of interest,' he said.