

**SECOND READING SPEECH BY DEPUTY PRIME MINISTER
TEO CHEE HEAN AND MINISTER IN CHARGE OF THE CIVIL SERVICE**

**CIVIL LIST AND PENSION (AMENDMENT) BILL 2012
MONDAY, 10 SEPTEMBER 2012**

Mr Speaker, Sir, I beg to move, that the Bill be now read a second time.

2. Sir, this House had endorsed the White Paper on “Salaries for A Capable and Committed Government” in January this year. The Civil List and Pension (Amendment) Bill seeks to put into effect one of the recommendations in the White Paper, by removing the power of Parliament, provided for in the Civil List and Pension Act, to grant a pension to a former President.

3. Allow me to first run through the history of the provision we are seeking to repeal. The Civil List and Pension Act was first introduced in 1970. Other than to provide a Civil List for the President, it also provided for the grant of a pension or gratuity of such amount and under such circumstances to a former President as Parliament may determine. This discretion was left to Parliament to give it flexibility to determine an amount based on the individual circumstances and needs of each former President. No former President has ever been granted a pension by the State.

4. Sir, to give effect to the White Paper recommendation, the provisions in the Civil List and Pension Act which provides Parliament with the discretion to grant a pension to a former President will need to be removed.

5. The Act currently also contains a provision that allows Parliament to grant a pension, in the event of death, to the widow and surviving dependants of the President and former Presidents. Although the White Paper did not make reference to this provision, this Bill seeks to remove this provision as well, which will be in line with the spirit of the recommendation to discontinue pension benefits for the President. Parliament can still separately resolve to grant a gratuity to surviving dependants of deceased Presidents and former Presidents if the need arises.

6. The Amendment Bill contains a saving provision to ensure that any pension or gratuity that has already been granted under the existing Act remains unaffected and continues to apply.

7. With the removal of pension benefits, the Civil List and Pension Act will be renamed, more aptly, as the Civil List and Gratuity Act.

8. Mr Speaker, Sir, I beg to move.