

Singapore Business Federation Bill

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Bill No: 40/2001

Read the first time: 25th September 2001

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THE SCHEDULE Local Ethnic Chambers of Commerce and Industry

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Expenditure of Public Money

Singapore Business Federation Bill

Bill No. 40/2001

Read the first time on 25th September 2001.

An Act to provide for membership of certain local and foreign companies in the Singapore Business Federation and for certain matters relating to the management and operation thereof, and to make a related amendment to the Small Claims Tribunals Act (Chapter 308 of the 1998 Revised Edition).

Whereas a society known as the “Singapore Business Federation” has been registered under the Societies Act (Chapter 311 of the 1985 Revised Edition) and has as its objects the enhancement of the organisation of the business community in Singapore and the representation, advancement, promotion and protection, in Singapore and abroad, of the major business concerns (such as investment and trade opportunities and labour management issues) of business entities carrying on commerce and industry in Singapore and, in particular, of larger local and foreign companies.

And Whereas it is desirable that statutory provision be made to provide for membership and participation by larger local and foreign companies in the Singapore Business Federation.

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

Short title and commencement

1. This Act may be cited as the Singapore Business Federation Act 2001 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 —

“authorised person” means a person authorised by the Board;

“Board” means the Board of Trustees of the Singapore Business Federation as referred to in its Constitution;

“Constitution”, in relation to the Singapore Business Federation, means the instrument constituting the Singapore Business Federation and containing the rules thereof, and subject to which the Federation is registered under the Societies Act (Cap. 311);

“Council” means the Council of the Singapore Business Federation as referred to in its Constitution;

“foreign chambers of commerce and industry” means any organisation in Singapore which represents the interests of persons from a foreign country, or any region or part of such foreign country, who are carrying on business in Singapore;

“foreign company” means a foreign company which is registered under Division 2 of Part XI of the Companies Act (Cap. 50) or under any corresponding previous written law;

“local company” means a company incorporated under Division 1 of Part III of the Companies Act or under any corresponding previous written law;

“rules”, in relation to the Singapore Business Federation, has the same meaning as in section 11(3) of the Societies Act (Cap. 311);

“Singapore Business Federation” means the society registered under the Societies Act by that name, and “Federation” shall be construed accordingly.

Objects of Singapore Business Federation

3. The objects of the Singapore Business Federation are —

- (a) to enhance the organisation of the business community in Singapore; and
- (b) to represent, advance, promote and protect, in Singapore and abroad, the major business concerns (such as investment and trade opportunities and labour management issues) of business entities carrying on commerce and

industry in Singapore and, in particular, of larger local and foreign companies.

Composition of Council

4.—(1) The Council shall consist of such members as may be specified in the Constitution of the Singapore Business Federation who shall include —

- (a) one nominee from each of the local ethnic chambers of commerce and industry specified in the Schedule; and
- (b) such number of representatives from foreign chambers of commerce and industry, not exceeding $\frac{1}{4}$ of the total number of members of the Council.

(2) The Minister may, by order published in the *Gazette*, amend, add to or vary the Schedule.

Membership of Singapore Business Federation

5.—(1) Every —

- (a) local company which has a paid-up share capital of or above the amount of \$500,000; and
- (b) foreign company which has an authorised share capital of or above the amount of \$500,000,

shall become, by virtue of this section and without election, admission or appointment, a member of the Singapore Business Federation, unless the membership of such local or foreign company is terminated in accordance with the Constitution of the Federation.

(2) The Minister may, by order published in the *Gazette* —

- (a) exempt any local or foreign company or any class of local or foreign companies from subsection (1); and
- (b) substitute the amount of paid-up share capital or authorised share capital specified in subsection (1)(a) or (b), as the case may be, with such other amount as he may determine.

Appointment of Board

6.—(1) The Minister shall appoint the Board of Trustees of the Singapore Business Federation, which shall consist of such number of trustees as the Minister thinks fit.

(2) The Minister may appoint one of the trustees on the Board to be the Chairman.

(3) The Chairman and every other trustee on the Board shall hold office on such

terms and conditions and for such period as the Minister may determine.

(4) The Minister may, at any time, remove or replace any trustee on the Board and appoint new or additional trustees to the Board.

Functions and powers of Board

7.—(1) The Board shall be responsible for ensuring that —

- (a) the Singapore Business Federation acts in furtherance of its objects as set out in this Act and in its Constitution;
- (b) the funds and assets of the Federation are properly accounted for and safeguarded; and
- (c) the persons who are members of the Council are fit and proper persons to hold such office.

(2) The approval of the Board shall be required for the following matters:

- (a) the annual report and accounts of the Singapore Business Federation;
- (b) the annual budget of the Federation;
- (c) the acquisition, sale, lease, mortgage, alienation or disposal by the Federation of any movable or immovable property of such value as the Board may determine;
- (d) the appointment of members of the Council; and
- (e) any proposed amendment to or variation of the Constitution of the Federation.

Accounts to be kept

8.—(1) The Council shall —

- (a) cause to be kept full and proper accounts and records of all financial transactions of the Singapore Business Federation;
- (b) ensure that payments out of the funds of the Federation are correctly made and properly authorised; and
- (c) ensure that adequate control is maintained over the assets and receipts of the funds of the Board.

(2) The accounts of the Singapore Business Federation shall be audited by an auditor to be appointed by the Council with the approval of the Board.

(3) A person shall not be qualified for appointment as an auditor under subsection (2)