

Universities (Miscellaneous Amendments) Bill

Bill No. 39/2004.

Read the first time on 1st September 2004.

A BILL

intituled

An Act to amend the Nanyang Technological University Act (Chapter 192 of the 1992 Revised Edition) and the National University of Singapore Act (Chapter 204 of the 2002 Revised Edition).

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 Universities (Miscellaneous Amendments) Act 2004 and shall come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

5 Amendment of Nanyang Technological University Act

2. The Nanyang Technological University Act (Cap. 192) is amended —

(a) by inserting, immediately after section 6, the following sections:

“Investment

10 **6A.** The University may, subject to the general or special direction of the Minister —

(a) invest its moneys in such manner as it thinks fit; and

15 (b) engage in any financial activity or participate in any financial arrangement for the purpose of managing or hedging against any financial risk that arises or is likely to arise from such investment.

Power to borrow

20 **6B.**—(1) For the discharge of its functions or duties under this Act or any other written law, the University may, from time to time, raise loans from the Government or, with the approval of the Minister, raise loans within or outside Singapore from such source as the Minister may direct by —

(a) mortgage, overdraft or other means, with or without security;

25 (b) charge, whether legal or equitable, on any property vested in the University or on any other revenue receivable by the University under this Act or any other written law; or

30 (c) the creation and issue of debentures, bonds or any other instrument as the Minister may approve.

(2) For the purposes of this section, the power to raise loans shall include the power to make any financial agreement

whereby credit facilities are granted to the University for the purchase of goods, materials or things.”; and

- (b) by deleting section 26 of the University Constitution in the First Schedule.

5 **Amendment of National University of Singapore Act**

3. The National University of Singapore Act (Cap. 204) is amended —

- (a) by inserting, immediately after the words “at university standards” in section 5(1)(a), the words “or at standards above primary education”; and
- 10 (b) by inserting, immediately after section 6, the following sections:

“Investment

6A. The University may, subject to the general or special direction of the Minister —

- (a) invest its moneys in such manner as it thinks fit; and
- 15 (b) engage in any financial activity or participate in any financial arrangement for the purpose of managing or hedging against any financial risk that arises or is likely to arise from such investment.

Power to borrow

20 **6B.**—(1) For the discharge of its functions or duties under this Act or any other written law, the University may, from time to time, raise loans from the Government or, with the approval of the Minister, raise loans within or outside Singapore from such source as the Minister may direct by —

- 25 (a) mortgage, overdraft or other means, with or without security;
- (b) charge, whether legal or equitable, on any property vested in the University or on any other revenue receivable by the University under this Act or any
- 30 (c) the creation and issue of debentures, bonds or any other instrument as the Minister may approve.

(2) For the purposes of this section, the power to raise loans shall include the power to make any financial agreement whereby credit facilities are granted to the University for the purchase of goods, materials or things.”.

5 **Savings**

4. Any investment made or loan raised by the Nanyang Technological University or the National University of Singapore before the date of commencement of sections 2 and 3 of this Act, respectively, may continue and shall be deemed to have been made or raised in accordance with the
10 Nanyang Technological University Act and the National University of Singapore Act as amended, respectively, by this Act.

EXPLANATORY STATEMENT

This Bill seeks to amend the Nanyang Technological University Act (Cap. 192) and the National University of Singapore Act (Cap. 204) for the following purposes:

- (a) to enable the Nanyang Technological University and the National University of Singapore to borrow from the Government and, with the approval of the Minister, to borrow from external institutions, and to invest its moneys in such manner as it thinks fit; and
- (b) to enable the National University of Singapore to establish institutions to provide education above primary levels.

Clause 1 relates to the short title and commencement.

Clause 2 inserts 2 new sections to the Nanyang Technological University Act. The new section 6A will enable the Nanyang Technological University, subject to the general or special direction of the Minister, to invest its moneys in such manner as it thinks fit, including any hedging activity. The new section 6B will enable the Nanyang Technological University to borrow from the Government and, with the approval of the Minister, from any source (including an external source) that the Minister directs. The Nanyang Technological University may borrow by mortgage or overdraft or other means (with or without security), by creating a charge over its property or by issuing debentures, bonds or other instruments. The University Constitution in the First Schedule is amended as a consequence of new section 6A.

Clause 3 amends section 5(1) of the National University of Singapore Act to enable the National University of Singapore to establish institutions to provide education above primary level.

The clause also makes similar amendments to the National University of Singapore Act to confer similar powers of investment on the National University of Singapore and to enable the National University of Singapore to borrow from the Government and, with the approval of the Minister, from any source (including an external source) that the Minister directs. The National University of Singapore may borrow by mortgage or overdraft or other means (with or without security), by creating a charge over its property or by issuing debentures, bonds or other instruments.

Clause 4 is a savings provision relating to investments made and loans raised by the respective Universities before the date of the amendments in the Bill.

EXPENDITURE OF PUBLIC MONEY

This Bill will not involve the Government in any extra financial expenditure.
