

SMALL CLAIMS TRIBUNALS (AMENDMENT) BILL

SECOND READING

PARLIAMENT, 9 JULY 2018

SENIOR MINISTER OF STATE FOR LAW MR EDWIN TONG SC

Mr Speaker,

1. I beg to move, ‘That the Bill be now read a Second time’.

I. Introduction

2. Mr Speaker, the Small Claims Tribunals (Amendment) Bill introduces amendments in two main areas:

- (a) First, it expands the jurisdiction of the Small Claims Tribunals (“the Tribunals”); and

- (b) Second, it improves the Tribunals’ processes and strengthens their powers to manage cases.

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In all, the amendments will strengthen access to justice by allowing the Tribunals to hear more claims in a quicker and more cost-effective manner.

3. The Tribunals were established in 1985 to provide a quick and inexpensive forum to resolve small claims arising from disputes between consumers and suppliers. To this end, the Tribunals’ processes have been designed to be straightforward, inexpensive and quick.

4. Over the years, the Ministry of Law has been working closely with the State Courts to review and enhance these processes. For example, in 2017, the Ministry of Law supported the launch by the State Courts of an electronic case filing and management system, called the Community Justice and Tribunals System (“CJTS”), for claims under the Small Claims Tribunals Act (“the Act”). CJTS benefits court users by allowing them to file claims in the Tribunals with ease, monitor their case developments and even actively negotiate an amicable settlement with the other party from the comfort of their homes.
5. This Bill proposes amendments to expand the jurisdiction of the Tribunals and improve their processes, whilst building on these past initiatives.
6. I will now take the House through the key features of the Bill.

II. Expanding the Jurisdiction of the Tribunals

7. Over the years, we have been exploring the possibility of expanding the jurisdiction of the Tribunals further so as to allow them to decide more claims. After carefully reviewing this issue with key stakeholders such as the State Courts and the Ministry of Trade and Industry, we have decided to expand the Tribunals’ jurisdiction. Let me explain what the expansion of the jurisdiction will entail.
8. First, the monetary limits of claims filed at the Tribunals. The current claim limit is \$10,000 by default, which can be increased to \$20,000 if all parties agree. Clause 4 (read with Clause 2) of the Bill raises the limit to

\$20,000 by default, which can be increased to \$30,000 if all parties consent. The new claim limits are broadly in line with similar tribunal limits in the United Kingdom, Australia and Canada. This will allow more parties to resolve their claims before the Tribunals, at less cost and using the streamlined procedures available at the Tribunals.

9. Second, the Bill also expands the types of claims which can be brought before the Tribunals. Currently, the Tribunals can hear a variety of claims, such as those relating to contracts for the sale of goods or the provision of services, claims in tort for damage caused to property, as well as certain tenancy disputes. With the amendments, the Tribunals will be able to hear hire-purchase claims under the Consumer Protection (Fair Trading) Act (“CPFTA”). This is in addition to certain consumer claims under the Consumer Protection (Fair Trading) Act which are already being heard by the Tribunals, such as claims in relation to unfair practices.
10. In addition to raising the monetary limits of claims as well as the types of claims which can be filed, the proposed amendments will extend the limitation period for lodging a claim in the Tribunals from one year to two years. The new limitation period will give parties more time to negotiate and settle their disputes amicably, while ensuring that they will have sufficient time to file a claim. It is also aligned with the limitation period for consumer claims in respect of unfair practices under the CPFTA, which are also heard by the Tribunals.
11. In expanding the jurisdiction of the Tribunals, we have sought to strike a balance between the objectives of enhancing access to justice and ensuring that the Tribunals stay true to the purpose of providing effective

and swift redress for small claims. If the Tribunals' jurisdiction is expanded too far, they will have to deal with not just an increased caseload but also cases involving more complex legal issues. This is undesirable as cases involving more complex issues are best dealt with in the usual civil courts.

12. In addition to expanding the jurisdiction of the Tribunals, the Bill also introduces changes to make it easier for court users to determine if their claim is within the scope of the Act.
13. Currently, these users have to refer to section 5(1) of the Act, as well as other legislation such as the Building Maintenance and Strata Management Act, the Housing and Development Act and the Singapore Business Federation Act, where applicable, to determine if their claims under those pieces of legislation can be heard by the SCT. Clause 20 of the Bill consolidates these different provisions within the framework of the Act to assist those wanting to find out whether their claims fall within the scope of the Act.
14. The only exception is with respect to claims under the Consumer Protection (Fair Trading) Act which fall within the jurisdiction of the Tribunals. This is not referred to in Clause 20 of the Bill, but will continue to be provided for in the CPFTA itself.
15. To further assist users of the Tribunals, Clause 2 of the Bill clarifies how the value of a claim in relation to a contract should be calculated for the purpose of determining whether it falls within the scope of the Act. At present, there may be some uncertainty over whether it is the value of the contract or the quantum of the claim that should apply for the purpose of

this calculation. The Bill clarifies this by setting out how the value of a claim should be calculated depending on the nature of the claim being brought – for example, depending on whether the claim is for the rescission of a contract, recovery of a progress payment under the contract, or for breach of the contract.

III. Enhancing Processes in the Tribunals

16. Currently, parties typically go through three main stages when they file a claim at the Tribunals:

(a) First, parties will file their claims and monitor their case online through the electronic case filing and management system (CJTS). Parties will also have the opportunity to negotiate and settle their dispute online using CJTS.

(b) Where the dispute is not resolved through the online negotiation, the Registrar will invite parties for a consultation session where they will have a second opportunity to resolve the dispute, which I will refer to as the “Consultation Stage”.

(c) Finally, if the dispute is still not resolved, parties will proceed for hearing before a Referee, who will make an order after hearing from both parties, which I will refer to as the “Adjudication Stage”.

17. The Bill makes various enhancements to the processes outlined above. I will touch on the key enhancements.

18. Currently, at the Consultation Stage, the Registrar has the power to invite parties to the dispute to attend a consultation session, where the Registrar will try to effect a settlement acceptable to all parties. However, if that does not resolve the dispute, the Registrar or the tribunal does not have the power to order parties to attend mediation even if that may assist the parties in resolving their disputes amicably. To address this situation, clause 7 of the Bill empowers the Registrar or a tribunal to order parties to attend mandatory mediation at the Community Mediation Centre, or before any other person. While this power may be exercised at any stage of the proceedings, it will be most helpful for parties to attend mediation at the Consultation Stage. This is in line with the Tribunals' objective to promote and facilitate the early settlement of disputes.
19. We have also proposed changes to strengthen the powers of the Tribunals to manage cases. Clause 9 of the Bill requires a tribunal to adopt a judge-led approach at the Adjudication Stage. The tribunal will identify the relevant issues in a case and also guide the parties to adduce the relevant evidence before the tribunal. This will help to focus the attention of parties on key issues, and lead to cost and time savings for all.
20. The tribunal may also direct any party to the proceedings to appear before it, summon any person to give evidence or to produce documents in the proceedings, and give directions for the just, expeditious and economical disposal of the claim.
21. Clause 11 provides that while a tribunal's proceedings are to be conducted in private, the tribunal may allow certain individuals to be present to either assist in or to observe the proceedings. Such individuals can include mediators who can assist in resolving the claim amicably, and assessors

such as industry experts who have the necessary skills and experience to assess the relevant claims. They can also include law students from the University Court Friends scheme who are assisting the parties on a pro bono basis.

22. Clauses 14 and 15 also give the Tribunals broader powers, including the discretion to:

(a) dismiss a claim if the claimant is absent without reasonable excuse;

(b) order a tenant to deliver vacant possession of rented premises in the case of unpaid rent; and

(c) order costs against parties generally.

23. The changes I mentioned will require the Referees of the Tribunals to play a key adjudication and case-management role in proceedings. To better reflect their roles and to align with the nomenclature used in the Employment Claims Tribunals (“ECT”), clause 3 of the Bill renames “Referees” as “tribunal magistrates”.

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24. Last but not least, we have also refined the appeals procedure for cases before the Tribunals. In 2005, we amended the Act to require a party who wishes to appeal against a decision of a tribunal to first obtain leave from the District Court. The rationale for that change was to ensure that parties will not be put to unnecessary expense, for example, in cases where there is no prospect of the appeal succeeding.

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25. Clause 16 of the Bill further refines this procedure by providing that a District Court may, if it refuses leave to appeal, remit the case back to the tribunal for reconsideration, or order a re-hearing presided by a different tribunal magistrate. This gives the District Court greater flexibility to ensure that justice is done in each individual case.

IV. Conclusion

26. In summary, these amendments are part of our continuous efforts to improve the Tribunals' processes and enhance access to justice. They will enable the Small Claims Tribunals to continue to fulfil their mission of providing an efficient, effective, and inexpensive avenue for the resolution of small claims.

27. Mr Speaker, I beg to move.

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