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SPEECH BY THE MINISTER FOR CULTURE AND SCIENCE & TECHNOLOGY,
MR JEK YEUN THONG, MOVING THE SECOND READING OF THE
NEWSPAPER AND PRINTING PRESSES (AMENDMENT) BILL IN PARLIAMENT
ON WEDNESDAY, 29 JUNE 1977.

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The Newspaper and Printing Presses Act which was passed in this House in 1974 seeks among other things to safe-guard public interest by ensuring that undesirable foreign elements do not gain control of our newspapers and use them against the welfare of our society. It is not intended to interfere with newspapers as an economic activity.

Although the danger of local newspapers falling into the hands of foreign interests has been contained, the situation is still far from satisfactory because the ownership of some major newspapers remains in the hands of a small group of people. It is undesirable to allow any person or family to have monopolistic control of any major newspaper. In view of the great influence the news media has on public opinion and the possibilities of it being used to manipulate weaker elements in an open society like Singapore, it is essential to spread the ownership of newspapers as widely as possible.

Governments in democratic countries are elected every 4 or 5 years, and are accountable to the voters.

Because of this they must be responsive to the societies they serve. But this does not apply to the press which is answerable only to its owners. The press may claim that it is answerable to its readers, but whenever there is a real conflict of interest between the public and the owner of the media, it is the owners' self-interest that the press will look after first. In seeking to break the monopolistic hold of newspapers by a few families and a small group of people, we are trying to spread the ownership of newspapers to as wide a public as possible. In doing so, the interest of the public will coincide with that of the newspapers and we will truly have newspapers owned by the people for the people. If everything goes on well there is a real hope that a free, healthy and responsible press will gradually be institutionalised in Singapore. Newspaper editors and reporters need not be afraid of newspaper owners breathing down their necks. There will be no interference from the owners. The journalists will be able to carry out their duties according to their best professional judgement and with the interest of the nation at heart.

The Bill seeks to prohibit any person from holding either directly or indirectly through a nominee or a holding company more than 3% of the ordinary shares issued by a newspaper company. In the case of newspaper companies with an issued capital of more than \$4 million, persons holding shares in excess of the 3% limit will have to find their own ways and means of disposing of them by 1st December 1977.

After that date, no one is allowed to hold more than 3% of the ordinary shares in a newspaper company unless he is given exemption to do so, otherwise, he will be committing an offence and his surplus shares will be forfeited to the government.

However, for small newspaper companies whose issued capital is under \$4 million and whose shares are therefore not quoted on the Stock Exchange, there are other provisions. In order to help the shareholders to dispose of their surplus shares, the Public Trustee will be entrusted with the responsibility to ensure a smooth and orderly transfer of such shares. It will be his duty to sell the surplus shares by ballot to the public at a price sufficient to cover his fees, expenses and the net asset value of such shares. After the sales are completed he will then pay to the newspaper owners whose shares he has helped to sell the proceeds of sale less his fees and expenses. In evaluating the surplus shares, the Public Trustee will not take into consideration the value of the goodwill as a result of the grant of a licence to publish a newspaper. We feel that if there is any value in the goodwill at all, the value arises out of a government act, i.e., the grant of a newspaper permit, and the benefit of such an act should go to the public and not the newspaper owner.

The opportunity is also taken to make other minor amendments to some of the existing provisions in the Act and to repeal those which experience has shown serve no useful purpose.