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STATEMENT BY THE PRIME MINISTER
IN PARLIAMENT ON 27 JANUARY 1988
CONCERNING THE INVESTIGATIONS LEADING TO
THE PROSECUTION OF MR ALLAN NG, AND HIS ALLEGATIONS
AGAINST MR TAN BOON TEIK, ATTORNEY-GENERAL

This statement concerns the investigations leading to the prosecution of Mr Allan Ng Poh Meng. It also concerns certain allegations made by Allan Ng against Mr Tan Boon Teik, the Attorney-General, in connection with these investigations.

On 20 Jul'87, the President spoke to Mr S Rajaratnam, Senior Minister, about Allan Ng. Rajaratnam immediately spoke to me about it. I went to see the President that same day. The President told me that Allan Ng, former Deputy Chairman UOB & Executive Chairman of First City Holdings, was an old friend. He had been detained when he was about to leave Changi Airport on 19 Jul'87. Allan Ng claimed that he had been "fixed" as he had done nothing wrong. The President said Allan Ng attributed this to Mr Wee Cho Yaw, Chairman UOB and

former employer of Allan Ng, who had influenced his friends in high positions, Tan Boon Teik, the Attorney-General, among them. Allan Ng had also alleged that, despite his complaints to the police, Tan Boon Teik had refused to prosecute Wee Cho Yaw for making nuisance telephone calls to his house. And Allan Ng claimed that when he started civil proceedings against Wee Cho Yaw, the Attorney-General had got Mr Joe Pillay, Managing Director MAS, to induce him to settle his civil action against Wee Cho Yaw.

I immediately called for a report on the circumstances which led to the detention of Allan Ng. The report disclosed that it was the MAS which had obtained information which suggested that Allan Ng could have violated certain financial banking regulations in connection with the takeover of Sealion Hotel. AG's Chambers was consulted and their advice was that there was prima facie evidence of breaches of the law by Allan Ng. This led to investigations by the Commercial Affairs Department and the subsequent detention of Allan Ng at Changi Airport.

In the case of the nuisance telephone calls to Allan Ng by Wee Cho Yaw, I rang up the Attorney-General for the facts. On 21 July, Tan Boon Teik sent me a signed note from Mr Tan Teow Yeow, Senior State Counsel in the AG's Chambers, on the police investigations into the nuisance telephone calls received

by Allan Ng. Tan Teow Yeow's opinion was that the evidence was questionable and he had advised the matter by private summons if they wished.

I showed the report from Tan Teow Yeow of the AG's Chambers to the President on 21 Jul'87 and informed him of the gist of the report from MAS.

It was not the Attorney-General but Mr Yong Pung How, Chairman of OCBC, who telephoned Joe Pillay on 4 Feb'87 about the nuisance telephone calls by Wee Cho Yaw to Allan Ng. Allan Ng had seen and told Yong Pung How about it on 3 Feb'87. Yong Pung How was concerned that publicity on this petty row would not do any good to the reputation of Singapore bankers. So he telephoned Joe Pillay to ask him to help sort out this quarrel. Yong Pung How sent me his contemporaneous minutes of his conversation with Joe Pillay to confirm this. Joe Pillay has confirmed that it was Yong Pung How who had spoken to him, but that the decision to intervene was "his own initiative".

Joe Pillay met Wee Cho Yaw on 10 Feb'87 and Allan Ng in the morning of 19 Feb'87. He arranged a meeting with Wee Cho Yaw and Allan Ng, together with their lawyers, in the afternoon of 19 Feb'87 where the matter was settled, as he thought, to the satisfaction of both parties.

1DPM's Letter of 17 Aug'87

On 17 Aug'87, 1DPM sent me a letter to recount how his friend, Mr Goh Chee Hiong, was asked by Allan Ng to see him. Goh Chee Hiong used to work with Allan Ng in UOB. Goh Chee Hiong gave him a transcript of a diary of events taken from the diskette of Allan Ng.

The transcript, which was initialled by Allan Ng, alleged, among other things, that Tan Boon Teik had bought over 200,000 Textile Corporation shares through City Securities, a stockbroking firm, and made over \$200,000.00 in or before Janusry'85, that he had bought over 250,000 Sigma Metal shares through the same firm and lost a few hundred thousand dollars in or before November'85 which was settled by somebody else, and that he owed Fraser & Co, another stockbroking firm, money which he refused to pay.

I asked 1DPM on 19 Aug'87 to get specific details of the sums involved, who paid the debts, and the nature of favours done by the Attorney-General in return for the settlement of these debts so that CPIB could follow up. 1DPM asked Goh Chee Hiong for them. He did not receive any.

On 18 Nov'87, Director CPIB wrote that he had received complaints against Tan Boon Teik alleging non-payment of debts. I showed 1DPM the

complaints on 19 Nov'87. He believed, like me, that they were linked to the complaints made to him by Allan Ng through Goh Chee Hiong. The complaints laid before CPIB related to events many years old, some over 14 years ago. Both 1DPM and I felt it could not have been coincidental that these complaints should surface at this time after Allan Ng's two complaints - the first made to the President and the second to 1DPM. Therefore I instructed the Cabinet Secretary on 20 Nov'87 to get CPIB to investigate these allegations together with those in Allan Ng's diskette and to establish the facts.

The CPIB has completed its investigations on all the allegations. All the complaints made directly to the CPIB did not find any evidence that Tan Boon Teik had owed any money to Fraser & Co which he refused to pay. Thorough investigations of the records of City Securities and its former Chairman confirmed that there were no share transactions as alleged.

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These investigations did not disclose any wrong-doing or improper conduct on the part of the Attorney-General. The allegations were totally unfounded.

I am satisfied that:

- (i) the Attorney-General did not influence Tan Teow Yeow not to prosecute Wee Cho Yaw. Tan Teow Yeow has confirmed this;
- (ii) the Attorney-General had nothing to do with the settlement of the dispute between Allan Ng and Wee Cho Yaw; and
- (iii) it was not the Attorney-General who initiated the investigation by the Commercial Affairs Department on Allan Ng which led to his detention at Changi Airport.

I am satisfied that the Attorney-General has acted properly in exercising his discretion as Attorney-General.

Allan Ng portrayed himself as the victim of a conspiracy in which Wee Cho Yaw had fixed him by manipulating highly placed officials like Tan Boon Teik, Attorney-General, Joe Pillay, Managing Director MAS, Koh Beng Seng, Director MAS, and even Dr Goh Keng Swee, the Deputy Chairman, and Dr Richard Hu, the Chairman of MAS. I have found no conspiracy.

Finally, I am satisfied that the decision to prosecute Allan Ng for insider trading was made and recommended by Mr Glenn Knight, and that the Attorney-General acted correctly in ordering the prosecution to proceed.

This does not mean that the Government has prejudged Allan Ng's guilt or innocence. We leave this matter to the courts. But the Government is satisfied that the prosecution is the result of investigations which have been properly instituted.

To sum up:

- (i) Any complaint of improper use of official power to investigate crime will lead to careful investigations and checking.
- (ii) Every allegation made against any official of corrupt, illegal or improper conduct will be investigated. The fact that the official complained against is the Attorney-General, the highest legal officer in charge of investigations, will not prevent such investigations. The allegations have been investigated. They were unfounded. But, let me add, that if they had been substantiated, the Attorney-General would have had to face the consequences. However, the investigations on Allan Ng would still have gone on, followed by prosecution if the evidence warrants it.
- (iii) All those exercising authority must be prepared to have their actions in their official capacity examined, and must stand ready to justify these actions publicly.

(iv) Therefore no public officer should feel inhibited by such allegations
and rumour mongering from doing his duty.

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