

Bus Services Industry Bill

Bill No. 26/2015.

Read the first time on 13 July 2015.

BUS SERVICES INDUSTRY ACT 2015

(No. of 2015)

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A BILL

intituled

An Act to regulate the provision of bus services, the operation of bus depots and bus interchanges in Singapore, and to make consequential amendments to certain other Acts.

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

PART 1
PRELIMINARY

Short title and commencement

1. This Act may be cited as the Bus Services Industry Act 2015 and
5 comes 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 —

10 “authorised officer”, for any provision of this Act, means an
employee of the LTA who is appointed as an authorised officer
under section 43 for the purposes of that provision;

“bus” means any motor vehicle registered as a bus under the
Road Traffic Act (Cap. 276);

15 “bus depot” means any premises with purpose-built facilities for
the parking, maintenance or refuelling of buses by bus
operators holding Class 1 bus service licences;

“bus depot licence” means a bus depot licence granted (or
deemed granted) under Part 4 to operate a bus depot specified
in the licence;

20 “bus depot site” means the premises in Singapore on which a bus
depot is or is to be situated;

25 “bus interchange” means a terminal or station with purpose-built
facilities for the commencement or termination of one or more
bus services and for the boarding or alighting of bus
passengers;

“bus interchange licence” means a bus interchange licence
granted (or deemed granted) under Part 4 to operate a bus
interchange specified in the licence;

30 “bus interchange site” means the premises in Singapore on which
a bus interchange is or is to be situated;

“bus operator”, in relation to a bus service, means the person who
operates the bus service, but does not include —

- (a) the LTA; or
- (b) a person who merely arranges for the registration of a bus, drives a bus or maintains or arranges for the maintenance of a bus;

“bus service” means a service consisting of the carriage of passengers, for a fare, by buses operated — 5

- (a) at pre-determined timetables; and
- (b) on a fixed route on roads for journeys wholly or partly within Singapore with 2 or more bus stopping points within Singapore; 10

“bus service licence” means a bus service licence granted (or deemed granted) under Part 3 to operate a bus service, or the bus services, specified in the licence;

“bus stopping point” means a location designated for a bus to stop for the purposes of passengers boarding and disembarking the bus; 15

“chief executive officer”, in relation to a licensee, means an individual (by whatever name described) who —

- (a) is in the direct employment of, or acting for or by arrangement with, the licensee; or 20
- (b) is principally responsible for the management and conduct of the business of the licensee in operating a bus service, bus depot or bus interchange, as the case may be,

and includes an individual for the time being performing all or any of the functions or duties of a chief executive officer; 25

“Class 1 bus service licence” means a bus service licence authorising the operation of 10 or more regular route services specified in the licence;

“Class 2 bus service licence” means a bus service licence authorising the operation of a single bus service specified in the licence; 30

“code of practice” means a code of practice issued or approved by the LTA under section 37, and includes any such code of practice as amended from time to time under that section;

“community bus service” means a bus service —

5 (a) consisting of the carriage of passengers by a bus for or in connection with the activities of a religious, educational, health, welfare, philanthropic, sporting or charitable organisation; and

10 (b) provided for a fare, or for consideration which is limited to the costs or part of the costs incurred in making the journey;

“company” has the same meaning as in section 4(1) of the Companies Act (Cap. 50);

“courtesy bus service” means a bus service which is —

15 (a) provided for the purpose of promoting the sale or supply of any product or service sold or supplied by a business organisation in the course of business in Singapore; and

20 (b) provided for a fare, or for consideration which is limited to the costs or part of the costs incurred in making the journey;

“director” has the same meaning as in section 4(1) of the Companies Act;

25 “fare” means the price payable by an individual passenger for any bus service, and includes the provision of, or arrangement for, a discount, concession, allowance, rebate or credit applying in relation to the price payable for use of that service;

“interim services contract” has the same meaning as in section 32;

30 “licence” means a bus service licence, a bus depot licence or a bus interchange licence;

“licensed” means licensed (or deemed licensed) under this Act for the time being, but does not include any period when a licence is suspended;

“licensee” means a licensed bus operator, a licensed bus depot operator or a licensed bus interchange operator;

“limited liability partnership” has the same meaning given to it by the Limited Liability Partnerships Act (Cap. 163A);

“LTA” means the Land Transport Authority of Singapore constituted under the Land Transport Authority of Singapore Act (Cap. 158A); 5

“modification” and “modify”, in relation to the conditions of a licence, include deleting or varying and substituting a condition, and adding a condition; 10

“operate” means —

(a) for a bus service — to control or direct the operations of the bus service in connection with a business for, or involving, the transport of passengers by road by that bus service, but does not include — 15

(i) merely arranging for the registration of a bus;

(ii) merely driving a bus; or

(iii) merely maintaining or arranging for the maintenance of a bus; and

(b) for a bus depot or bus interchange — to control or direct the operations of the bus depot or bus interchange in connection with a business but does not include — 20

(i) merely driving a bus;

(ii) merely repairing a bus; and

(iii) merely refuelling a bus, or supplying fuel for buses, parked at a bus depot or bus interchange; 25

“partner”, in relation to a limited liability partnership, has the same meaning as in section 2(1) of the Limited Liability Partnerships Act;

“penalty provision”, for a public bus services contract, means a provision in the public bus services contract that provides for the payment of an amount of penalty — 30

- (a) for a breach of the public bus services contract;
- (b) for a failure (being not a breach of contract) to meet a requirement specified in the contract; or
- (c) payable on the termination of the contract;

5 “performance standards”, for bus services, includes —

- (a) minimum service levels determined according to such things as the periods of time during which the services are to be operated, the extent of services and the frequency of operation of services during specified periods; and
- (b) performance outcomes for frequency, regularity, punctuality and accessibility of bus services, and of customer information and service,

10 and where there are different performance standards determined by the LTA under this Act for different classes of bus services or different classes of bus operators of bus services, means the performance standards determined for that class of bus services or bus operators, as the case may be;

15 “premises” means a building or structure (whether permanent or temporary) or part of such a building or structure, and includes any immediately adjoining space or land necessary for access to, or the enjoyment of occupants of, the building or structure;

20 “public bus operator” means a bus operator who is party to a public bus services contract for the provision of bus services specified in the contract;

25 “public bus services contract” means a contract entered into by the LTA under Part 2 for the provision of bus services specified in the contract;

30 “public bus system” means all the components which make up the system for the movement of individuals on bus services including —

(a) the physical components such as —

- (i) facilities for accessing, disembarking and the interchange of, passengers, including bus stopping infrastructure and bus interchanges;
- (ii) bus depots and other facilities for the maintenance, refuelling and parking of buses; 5
- (iii) buses; and
- (iv) control, communications and location systems and technology, information, and other systems and equipment for the provision of bus services; 10
and

(b) the management components such as —

- (i) plans for building the network and acquiring vehicles;
- (ii) operations planning including business plans, corporate plans, operations plans and contingency plans; 15
- (iii) operational matters required to operate the system including schedules, timetables and ticketing systems; 20
- (iv) legislative and regulatory systems such as registration, licensing and accreditation;
- (v) the labour components including all the persons involved in planning, policy development, operations and regulating and managing the physical and management components of the system; and 25
- (vi) administration, maintenance and information management matters;

“Public Transport Council” or “PTC” means the Public Transport Council established under the Public Transport Council Act (Cap. 259B); 30

“regular route service” means a bus service that is conducted according to pre-determined routes and timetables with 2 or more bus stopping points within Singapore, but does not include —

- 5 (a) a tourist bus service;
- (b) a community bus service;
- (c) a courtesy bus service; or
- (d) a bus service excluded from this definition by the Minister by an order published in the *Gazette*;

10 “regulatory action” means any action in section 39(1) or (2) that may be taken by the LTA against a licensee;

“step-in order” means an order made under section 30;

“tourist bus service” means a bus service where —

- 15 (a) tourism is a major and regular feature or focus of the service;
- (b) the passenger profile including, in particular, whether users of the service, are mainly sightseers or pursuing mainly tourism activities;
- 20 (c) all passengers’ journeys stop at or divert to points of cultural, historic, scenic, scientific or sporting interest in Singapore; and
- (d) the passengers are taken on to or back to hotels or other tourist accommodation or a tourism travel connection.

Purposes of Act

25 **3.** The purposes of this Act are —

- (a) to regulate the provision in Singapore of bus services and the operators of bus depots and bus interchanges;
- (b) to implement a bus services procurement framework; and
- 30 (c) to provide for the service standards that are to apply in the provision of bus services and operation of bus depots and bus interchanges,

so as to facilitate the delivery of safe, reliable and efficient bus services in Singapore.

Act binds Government

4.—(1) This Act binds the Government.

(2) However, nothing in this Act renders the Government liable to prosecution for an offence under this Act. 5

(3) To avoid doubt, no person is immune from prosecution for any offence under this Act by reason only that the person is engaged to provide services to the Government.

Administration of Act

5.—(1) It is the function of the LTA to exercise licensing and regulatory functions in accordance with this Act with respect to the provision in Singapore of bus services and the operation of bus depots and bus interchanges, and to otherwise administer this Act. 10

(2) In discharging the functions and duties imposed on it by subsection (1), the LTA must have regard to the need — 15

(a) for reliable, seamless and convenient passenger travel on buses and other forms of land transport in Singapore;

(b) for ensuring that any person licensed or otherwise authorised under this Act to operate any bus service, bus depot or bus interchange is able to do so efficiently whilst maintaining independent financial viability; and 20

(c) for sustainability, adequacy and optimisation of capacity across the network of bus services and services for train journeys within Singapore. 25

PART 2

BUS SERVICES PROCUREMENT FRAMEWORK

Public bus services contracts

6.—(1) The LTA may enter into a public bus services contract with any person for the provision of one or more regular route services. 30

(2) In particular, the LTA may enter into a public bus services contract for the provision of one or more regular route services under subsection (1) with a person that is subject to a condition precedent that requires that person to obtain a bus service licence for that regular route service or services, as the case may be.

(3) The LTA may invite public bus service contracts by tender or in any other manner it thinks fit.

Contents of public bus services contracts

7.—(1) A public bus services contract may relate to a particular area in Singapore or route wholly or partly within Singapore.

(2) However, a public bus services contract must —

- (a) specify the term of the contract;
- (b) provide the manner in which the public bus operator who is party to the contract will be remunerated or gain revenue from the provision of the regular route service or services under the contract; and
- (c) specify the performance standards to be met by the public bus operator who is party to the contract in relation to the provision of regular route services under the contract.

(3) A public bus services contract may make provision in relation to the operation of any regular route service under the contract and the administration of the contract, including, but is not limited to —

- (a) the variation of the contract, such as —
 - (i) to extend the service into developing areas in Singapore;
 - (ii) for public safety;
 - (iii) because of changed traffic conditions;
 - (iv) to improve that regular route service in the public interest;
 - (v) to address a serious or frequent failure on the part of the public bus operator under the contract to observe the terms and conditions of the contract; or

- (vi) to address the public bus operator under the contract having been found guilty of an offence under this Act committed during the term of the contract;
- (b) the fees (if any) payable under the contract;
- (c) monetary or other penalties — 5
 - (i) for a breach of the contract;
 - (ii) for a failure (being not a breach of contract) to meet a requirement specified in the contract; or
 - (iii) payable on the termination of the contract;
- (d) the records (including accounts) to be made and kept, and how they are to be made and kept; and 10
- (e) bonds for the performance of obligations or specified obligations under the contract.

(4) Subsection (3) does not limit the matters about which a public bus services contract may make provision. 15

Enforcement of performance standards in public bus services contracts

8.—(1) Performance standards provided for by a public bus services contract are to be enforced by penalty provisions or in any other manner that the contract may provide. 20

- (2) A person —
 - (a) who breaches a public bus services contract;
 - (b) who fails (being not a breach of contract) to meet a requirement specified in a public bus services contract; or
 - (c) who terminates a public bus services contract, 25

that is enforceable by a penalty provision is liable to pay, as a debt due to the LTA, an amount determined in accordance with the contract as the penalty for the breach, failure or termination, as the case may be.

(3) A public bus services contract may provide that an amount payable under a penalty provision may also be recovered by 30

withholding amounts otherwise payable under the contract and may contain other related provisions.

(4) To avoid doubt, subsection (1) does not limit the provisions of a public bus services contract that may be enforced by penalty provisions.

(5) This section has effect despite any rule of, or principle at, common law.

Offer of further public bus services contract

9.—(1) The LTA may enter into a further public bus services contract with a licensed bus operator on, before or after the expiry of the term of a public bus services contract with that bus operator only if the LTA decides that that operator's performance under the public bus services contract (called in this section an existing public bus services contract) has been satisfactory.

(2) However, a further contract may be on the same or different terms.

(3) This section does not apply to an existing public bus services contract in relation to which an option to renew may be exercised under the contract, or an interim services contract.

(4) To avoid doubt, nothing in this Part confers a right to or expectation of a further public bus services contract.

Termination of public bus services contracts

10.—(1) A public bus services contract is automatically terminated if —

(a) the public bus operator that is party to a contract with a condition precedent referred to in section 6(2) ceases to hold the bus service licence for the regular route service or services specified in the contract; or

(b) the operator contravenes section 17.

(2) To avoid doubt, subsection (1) does not limit the enforcement by penalty provisions in the public bus services contract for the termination of the contract.

PART 3

LICENSING OF BUS OPERATORS

*Division 1 — General***Unauthorised operation of bus services**

11.—(1) A person must not operate in Singapore a bus service unless the person — 5

- (a) is authorised to do so by a bus service licence;
- (b) is exempt from this section by or under this Act in relation to that bus service;
- (c) is the LTA; or 10
- (d) is authorised to do so by contract with a person referred to in paragraph (a) or (b) (called in this Act a bus service subcontractor).

(2) A person who contravenes subsection (1) shall be guilty of an offence and shall be liable on conviction — 15

- (a) where the number of bus services operated in contravention is 10 or more regular route services, to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 6 months or to both and, in the case of a continuing offence, to a further fine not exceeding \$5,000 for every day or part of a day during which the offence continues after conviction; or 20
- (b) in any other case, to a fine not exceeding \$10,000 and, in the case of a continuing offence, to a further fine not exceeding \$500 for every day or part of a day during which the offence continues after conviction. 25

Application for or to renew bus service licences

12.—(1) An application for or to renew a bus service licence must be made to the LTA in accordance with this section.

(2) An application for a bus service licence or to renew a bus service licence must — 30

- (a) be in such form and manner as the LTA may determine;

(b) be accompanied by an application fee, if prescribed; and

(c) be accompanied by the prescribed information and any other additional information that the LTA requires to decide on the application.

5 (3) The LTA may refuse to consider an application for or to renew a bus service licence that is incomplete or not made in accordance with this section.

Grant, etc., of bus service licences

10 **13.**—(1) After considering any application for or to renew a bus service licence, the LTA may —

(a) on payment of —

(i) a bus service licence fee (if prescribed), grant the applicant a Class 1 bus service licence or Class 2 bus service licence; or

15 (ii) a renewal fee or late renewal fee (if prescribed), renew the licence; or

(b) refuse to grant or renew the bus service licence, as the case may be.

20 (2) In deciding whether an applicant should be granted a Class 1 bus service licence, or the applicant's Class 1 bus service licence should be renewed, and the conditions to impose or modify, the LTA must have regard to, and give such weight as the LTA considers appropriate to, all of the following matters:

25 (a) the applicant's capacity to comply with the requirements for financial viability in operating the regular route services in the application;

(b) the applicant's capacity to deliver the regular route services in the application according to the performance standards and other terms in a public bus services contract;

30 (c) the demand for the regular route services in the application;

(d) the existence of other bus services in the same area;

(e) whether the applicant is a company, partnership, limited liability partnership or other body corporate;

(f) whether the applicant and where necessary, whether —

(i) every member of the board of directors or committee or board of trustees or other governing body of an applicant which is a company, limited liability partnership or other body corporate; or

(ii) every partner of an applicant that is a partnership, is a suitable person to be involved in the management or operation of the regular route services in the application;

(g) whether it is otherwise contrary to the public interest for the licence to be granted to the applicant.

(3) For the purpose of determining whether or not a person referred to in subsection (2)(f) is a suitable person to be involved in the management or operation of 10 or more regular route services, the LTA must, having regard to the degree and nature of the person's proposed involvement in the public bus system in Singapore, have regard to, and give such weight as the LTA considers appropriate to, all of the following matters:

(a) the person's relevant knowledge, competency and experience;

(b) any evidence of the exercise of any power under section 39 in relation to the person —

(i) for committing an offence under this Act; or

(ii) for contravening any notice or direction given under this Act;

(c) any conviction for committing —

(i) an offence under Part V of the Road Traffic Act (Cap. 276) or rules made under that Part in relation to buses, or under the Public Transport Council Act (Cap. 259B), whether or not the offence was committed before the date of commencement of this Part; or

- (ii) any other offence, whether or not the conviction was in a Singapore court and whether or not the offence was committed before the date of commencement of this Part.

5 (4) In determining whether an applicant should be granted a Class 2 bus service licence, or whether the applicant's Class 2 bus service licence should be renewed, and the conditions to impose or modify, the LTA must have regard to, and give such weight as the LTA considers appropriate to, all of the following matters:

10 (a) the applicant's ability and financial capacity to operate the bus services in the application in a satisfactory, safe and efficient manner;

(b) the suitability of the route or routes on which a bus service is to be provided under the licence;

15 (c) the extent, if any, to which the needs of those proposed route or routes are already adequately and satisfactorily served by existing land transport facilities;

(d) the needs of the area as a whole in relation to passenger demand (including the provision of adequate, safe, suitable and efficient services, the elimination of unnecessary or unsatisfactory services and the provision of unremunerative services) and the coordination of all forms of passenger transport;

20 (e) whether it is otherwise contrary to the public interest for the licence to be granted to the applicant.

(5) To avoid doubt, the LTA is not confined to consideration of the matters specified in subsection (2), (3) or (4) and may take into account such other matters and evidence as may be relevant.

30 (6) Without prejudice to subsection (1), the LTA may grant a renewal of a bus service licence (of any class) with or without modifying the conditions of the licence, but section 16 does not apply to or in relation to granting a renewal of a bus service licence with modifications to the conditions of the licence.

Validity of bus service licences

14.—(1) Every bus service licence must state its class and be in such form as the LTA may determine.

(2) Every bus service licence granted or renewed under this Part is to continue in force for such period as may be specified in the licence unless it is earlier revoked or suspended under section 39.

Conditions of bus service licences

15.—(1) In granting a bus service licence to any person, the LTA may impose such conditions as the LTA considers requisite or expedient having regard to the purposes of this Act.

(2) In particular, in granting a Class 1 bus service licence to a bus operator, the LTA may impose conditions —

(a) relating to the use and deployment of the buses managed by the licensed bus operator in operating the regular route services in the licence;

(b) relating to the security and safety of passengers of buses in the provision of the regular route service or services in the licence, and other persons using or engaged in work on those buses;

(c) relating to the conduct of the employees, agents and contractors of the licensed bus operator;

(d) requiring the provision of a performance bond, guarantee or any other form of security of such amount and on such terms and conditions as the LTA may determine —

(i) to secure compliance by the licensed bus operator with any condition attached to the licence; or

(ii) to meet any financial penalty arising out of any proceedings under section 39 with a view to regulatory action started or likely to start against the licensed bus operator, or both;

(e) requiring the licensed bus operator itself to deal with any plague or epidemic, fire, flood, earthquake or disaster (natural or otherwise) or any other public emergency; or

(f) requiring the licensed bus operator to undergo (at its own cost) such audit as the LTA may require to ascertain the licensee's compliance with —

5 (i) the provisions of this Act or a code of practice applicable to the licensed bus operator;

(ii) the conditions of the Class 1 bus service licence granted to that licensed bus operator; or

(iii) a direction given under section 38.

10 (3) An audit referred to in subsection (2)(f) may be carried out only by authorised officers or other officers of the LTA or such qualified individuals approved by the LTA for the purpose.

(4) In particular, in granting a Class 2 bus service licence to a bus operator, the LTA may impose conditions relating to —

15 (a) the safety and security of passengers of the bus service and other persons who use the buses;

(b) the operating hours, route, bus stopping points and other activities of the bus service connected with a safe and secure operation;

20 (c) the prevention of racing, cutting in and dangerous competition with other vehicles on the route;

(d) requirements that the licensed bus operator must prepare itself to deal with any plague or epidemic, fire, flood, earthquake or disaster (natural or otherwise) or any other public emergency; or

25 (e) the provision of a performance bond, guarantee or any other form of security, of such amount and on such terms and conditions as the LTA may determine —

30 (i) to secure compliance by the licensed bus operator concerned with any condition attached to the licence; or

(ii) to meet any financial penalty arising out of any proceedings under section 39 with a view to regulatory

action started or likely to start against the licensed bus operator, or both.

Modifying conditions of bus service licence

16.—(1) Subject to this section, it is lawful for the LTA to modify the conditions of a bus service licence without compensating the licensed bus operator concerned. 5

(2) Before modifying any conditions of a bus service licence, the LTA must give notice to the licensed bus operator holding that licence —

(a) stating that the LTA proposes to make the modification in the manner as specified in the notice; and 10

(b) specifying the time (being not less than 14 days after the date of service of notice on the licensed bus operator) within which the licensed bus operator may make written representations to the LTA with respect to the proposed modification. 15

(3) Upon receiving any written representation referred to in subsection (2), the LTA must consider that representation and may —

(a) reject the representation;

(b) amend the proposed modification in such manner as the LTA thinks fit having regard to the representation; or 20

(c) withdraw the proposed modification.

(4) Where —

(a) the LTA rejects any written representation under subsection (3)(a);

(b) the LTA amends any proposed modification to the conditions of the licence under subsection (3)(b); or 25

(c) no written representation is received by the LTA within the time specified in subsection (2)(b), or any written representation made under that subsection is subsequently withdrawn, and the licensed bus operator has not given immediate effect to the modification, 30

the LTA is to issue a direction in writing to the licensed bus operator in question requiring the licensed bus operator, within the time specified by the LTA, to give effect to the modification as specified in the notice under subsection (3) or as amended by the LTA, as the case may be.

5 **Restriction on transfer and surrender of bus service licence**

17.—(1) A bus service licence, and any right, benefit or privilege under the licence, is not transferable or assignable to any other person unless —

10 (a) the licence contains a condition authorising the transfer or assignment; and

(b) the LTA consents in writing to the transfer or assignment.

15 (2) Any consent under subsection (1) may be given subject to compliance with such conditions as the LTA thinks fit to impose, which may, subject to section 16, include modifying, or requiring or otherwise providing for the making of modifications to, the conditions of the licence.

(3) A transfer or an assignment, or purported transfer or assignment, of a bus service licence, or of any right, benefit or privilege under the licence, is void and of no effect —

20 (a) if the licence is not capable of transfer or assignment;

(b) if the transfer or assignment, or purported transfer or assignment, is in breach of a condition of the licence; or

25 (c) if there has been, before the transfer or assignment or purported transfer or assignment, a contravention of a condition subject to compliance with which the consent required by subsection (1) is given.

30 (4) Every bus service licence is not capable of being surrendered without the consent in writing of the LTA, and any surrender or purported surrender of a bus service licence is void if it is without such consent.

Division 2 — Special restrictions for Class 1 bus service licences

Change in management of Class 1 bus service licence

18. It is a condition of every Class 1 bus service licence that the licensed bus operator to whom the licence is granted must notify the LTA of —

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- (a) if the licensed bus operator is a company, the resignation of any director of the company within the prescribed period after the date of resignation; or
- (b) if the licensed bus operator is a partnership, limited liability partnership or company, the death of any of its partners or directors within the prescribed period after the date the licensed bus operator becomes aware of that death.

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Appointment and removal of chief executive officer, director, etc.

19.—(1) A bus operator holding a Class 1 bus service licence that is a company, limited liability partnership or other body corporate must not —

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- (a) appoint or re-appoint an individual as its chief executive officer, or the chairman of its board of directors or any of its directors; or
- (b) remove its chief executive officer or the chairman of its board of directors or any of its directors,

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unless the licensee has obtained the prior written approval of the LTA.

(2) An individual must not become a partner of a partnership that is a bus operator holding a Class 1 bus service licence unless the individual has obtained the prior written approval of the LTA.

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(3) Where an individual —

- (a) is appointed or re-appointed by a bus operator holding a Class 1 bus service licence as its chief executive officer, its director or the chairman of its board of directors, in contravention of subsection (1);

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(b) is removed as the chief executive officer or the chairman of the board of directors or any of its directors in contravention of subsection (1); or

(c) is a partner in a partnership that is a bus operator holding a Class 1 bus service licence in contravention of subsection (2),

the LTA may issue a direction to the licensee to do as follows (whichever is applicable), and the licensee must comply with that direction given to it:

(i) to remove that individual from the individual's appointment as the chief executive officer or a director or the chairman of the board of directors of the licensee;

(ii) to reinstate the individual as the chief executive officer or a director or the chairman of the board of directors of the licensee; or

(iii) to expel that partner.

(4) This section has effect despite the provisions of any other written law and the provisions of the memorandum or articles of association, or other constitution, of a bus operator holding a Class 1 bus service licence; and nothing in section 152 of the Companies Act (Cap. 50) prevents the LTA from exercising any power under this section.

(5) Nothing in subsection (3) is to be taken as depriving an individual who is removed under that subsection of compensation or damages payable to the individual in respect of the termination of his or her appointment as a chief executive officer, chairman of the board of directors or director or expulsion as a partner.

Restrictions on acquisition of essential operating assets

20.—(1) A person must not acquire, on or after the date of commencement of this section, any essential operating asset for regular route services, or an interest in such an essential operating asset, (whether or not the acquisition is by way of the enforcement of a loan security) unless —

(a) the person is a public bus operator holding a Class 1 bus service licence authorised to operate those regular route services; or

(b) the LTA consents in writing to that acquisition.

(2) Any acquisition, or a purported acquisition of any essential operating asset for all or part of any regular route services, or an interest in such an essential operating asset, in contravention of subsection (1) is void. 5

(3) In this section, “essential operating asset”, in relation to any regular route service in a public bus services contract, means any bus, plant, equipment, machinery or other property which —

(a) is used or intended to be used (and whether or not it is also used for other purposes) by a public bus operator holding a Class 1 bus service licence to provide the regular route services under that public bus services contract; 10

(b) makes up part of the public bus system and is essential to the continuity of the regular route services under that public bus services contract; or 15

(c) is designated to be an essential operating asset by or under that public bus services contract.

Restrictions on voluntary winding up

21.—(1) Despite the provisions of any other written law, where a company is a public bus operator holding a Class 1 bus service licence — 20

(a) the company cannot be wound up voluntarily without the consent of the LTA;

(b) a judicial management order under the Companies Act (Cap. 50) cannot be made in relation to the company; and 25

(c) no step may be taken by any person to enforce any security over the company’s property except where that person has served 14 days’ notice of the person’s intention to take that step on the LTA.

(2) The LTA must be a party to any proceedings under the Companies Act relating to the winding up of the affairs of a company which is a public bus operator holding a Class 1 bus service licence. 30

PART 4

LICENSING OF BUS DEPOT OR
BUS INTERCHANGE OPERATORS**Unauthorised operation of bus depots or bus interchanges**

5 **22.**—(1) A person must not operate in Singapore a bus depot or bus interchange unless the person —

 (*a*) is authorised by —

 (i) a bus depot licence to operate the bus depot; or

 (ii) a bus interchange licence to operate the bus
10 interchange;

 (*b*) is exempt from this section by or under this Act;

 (*c*) is the LTA; or

 (*d*) is authorised to do so by contract with a person referred to in
15 paragraph (*a*) or (*b*) (called in this Act a bus depot or
 interchange subcontractor).

 (2) A person who contravenes subsection (1) shall be guilty of an
offence and shall be liable on conviction to a fine not exceeding
\$10,000 or to imprisonment for a term not exceeding 6 months or to
both and, in the case of a continuing offence, to a further fine not
20 exceeding \$500 for every day or part of a day during which the
offence continues after conviction.

Application for bus depot licence or bus interchange licence

23.—(1) An application for a bus depot licence or bus interchange
licence must be made to the LTA in accordance with this section.

25 (2) An application for a bus depot licence or bus interchange licence
must —

 (*a*) be in such form and manner as the LTA may determine; and

 (*b*) be accompanied by an application fee, if prescribed.

 (3) The LTA may refuse to consider an application for a bus depot
30 licence or bus interchange licence that is incomplete or not made in
accordance with this section.

Grant of bus depot licence or bus interchange licence

24.—(1) After considering any application for a licence under section 23, the LTA may —

- (a) on payment of a licence fee (if prescribed), grant the bus depot licence or bus interchange licence applied for; or 5
- (b) refuse to grant the bus depot licence or bus interchange licence, as the case may be.

(2) In deciding whether an applicant should be granted a bus depot licence or bus interchange licence under subsection (1), and the conditions to impose or modify, the LTA must have regard to, and give 10 such weight as the LTA considers appropriate to, all of the following matters:

- (a) whether the applicant is or is not a bus operator holding a Class 1 bus service licence;
- (b) whether the applicant does not have (or is unlikely to have) 15 the financial capacity and ability to operate and maintain an adequate, satisfactory, safe and efficient bus depot or bus interchange at a bus depot site or bus interchange site, as the case may be, specified in the application;
- (c) whether the bus depot site or bus interchange site is fit to be 20 used as a bus depot or bus interchange as the case may be;
- (d) whether the applicant and where necessary, whether —
 - (i) every member of the board of directors or committee or board of trustees or other governing body of an applicant which is a company, limited liability 25 partnership or other body corporate; or
 - (ii) every partner of an applicant that is a partnership, is a suitable person to be involved in the management or operation of the bus depot or bus interchange in the application; 30
- (e) whether it is otherwise contrary to the public interest for the bus depot licence or bus interchange licence (as the case may be) to be granted to the applicant.

(3) For the purpose of determining whether or not a person referred to in subsection (2)(d) is a suitable person to be involved in the management or operation of a bus depot or bus interchange, the LTA must, having regard to the degree and nature of the person's proposed involvement in the public bus system in Singapore, have regard to, and give such weight as the LTA considers appropriate to, all of the following matters:

(a) the person's relevant knowledge, competency and experience;

(b) any evidence of the exercise of any power under section 39 in relation to the person —

(i) for committing an offence under this Act; or

(ii) for contravening any notice or direction given under this Act;

(c) any conviction for committing —

(i) an offence under Part V of the Road Traffic Act (Cap. 276) or rules made under that Part in relation to buses, whether or not the offence was committed before the date of commencement of this Part; or

(ii) any other offence, whether or not the conviction was in a Singapore court and whether or not the offence was committed before the date of commencement of this Part.

(4) To avoid doubt, the LTA is not confined to consideration of the matters specified in subsection (2) or (3) and may take into account such other matters and evidence as may be relevant.

Validity and renewal of bus depot licence or bus interchange licence

25.—(1) Every bus depot licence or bus interchange licence granted under this Act is to be in such form as the LTA may determine.

(2) Every bus depot licence or bus interchange licence granted or renewed under this Act is to continue in force for such period as may

be specified in the licence, unless it is earlier revoked or suspended under section 39.

(3) The LTA may, on the application by a licensee holding a bus depot licence or bus interchange licence to renew the licence —

(a) grant a renewal of the bus depot licence or bus interchange licence on payment of a renewal fee or late renewal fee (if prescribed) and with or without adding to, deleting from or varying conditions of the licence; or 5

(b) refuse to renew the bus depot licence or bus interchange licence, as the case may be. 10

(4) An application to renew a bus depot licence or bus interchange licence must be made no later than 3 months before the date of expiry of the licence (or the longer period prescribed in substitution), unless otherwise allowed by the LTA in any particular case which is to be treated as a late renewal application. 15

(5) Sections 23 and 24 apply, with the necessary modifications, to every application to renew a bus depot licence or bus interchange licence as if the application is for a grant of the bus depot licence or bus interchange licence.

(6) To avoid doubt, section 27 does not apply to or in relation to granting a renewal of a bus depot licence or bus interchange licence with additional, deleted or varied conditions of the licence. 20

Conditions of bus depot licence or bus interchange licence

26.—(1) In granting a bus depot licence or bus interchange licence to any person (called in this section the licensee), the LTA may impose such conditions as the LTA considers requisite or expedient having regard to the purposes of this Act. 25

(2) Without prejudice to the generality of subsection (1), a bus depot licence to operate a bus depot, or a bus interchange licence to operate a bus interchange, may include conditions relating to — 30

(a) the extent, hours and general level of service at the bus depot or bus interchange;

- (b) the maintenance and operation of the bus depot or bus interchange and any equipment therein;
- (c) the security criteria for selecting persons engaged in any work at the bus depot or bus interchange;
- 5 (d) the safety and security of persons using or at work at the bus depot or bus interchange;
- (e) requirements that the licensee must prepare itself to deal with any plague or epidemic, fire, flood, earthquake or disaster (natural or otherwise) or any other public emergency;
- 10 (f) the terms and conditions that the licensee can impose on the use of the bus depot or bus interchange —
 - (i) by employees, agents, tenants and contractors of the licensee;
 - (ii) by licensed bus operators; or
 - 15 (iii) by members of the public; and
- (g) in the case of a bus interchange —
 - (i) the provision of travel information systems and directional signs for the purpose of ensuring integration of the bus interchange with transport services and facilities and developments surrounding the bus interchange so as to enhance passenger services; and
 - 20 (ii) the maximum fee that the licensee may charge for the use of the bus interchange by bus operators.

25 **Modifying conditions of bus depot licence or bus interchange licence**

30 **27.—(1)** Subject to this section, it is lawful for the LTA to modify the conditions of a bus depot licence or bus interchange licence without compensating the licensee to whom the licence is granted (called in this section the licensee).

(2) Before modifying any conditions of a bus depot licence or bus interchange licence, the LTA must give notice to the licensee holding that licence —

(a) stating that the LTA proposes to make the modification in the manner as specified in the notice; and 5

(b) specifying the time (being not less than 14 days after the date of service of notice on the licensee) within which the licensee may make written representations to the LTA with respect to the proposed modification.

(3) Upon receiving any written representation referred to in subsection (2), the LTA must consider that representation and may — 10

(a) reject the representation;

(b) amend the proposed modification in such manner as the LTA thinks fit having regard to the representation; or

(c) withdraw the proposed modification. 15

(4) Where —

(a) the LTA rejects any written representation under subsection (3)(a);

(b) the LTA amends any proposed modification to the conditions of the licence under subsection (3)(b); or 20

(c) no written representation is received by the LTA within the time specified in subsection (2)(b), or any written representation made under that subsection is subsequently withdrawn, and the licensee has not given immediate effect to the modification, 25

the LTA must issue a direction in writing to the licensee in question requiring the licensee, within the time specified by the LTA, to give effect to the modification as specified in the notice under subsection (3) or as amended by the LTA, as the case may be.

Restriction on transfer and surrender of bus depot licence or bus interchange licence

28.—(1) A bus depot licence or bus interchange licence, and any right, benefit or privilege under the licence, is not transferable or assignable to any other person unless —

(a) the licence contains a condition authorising the transfer or assignment; and

(b) the LTA consents in writing to the transfer or assignment.

(2) Any consent under subsection (1) may be given subject to compliance with such conditions as the LTA thinks fit to impose, which may, subject to section 27, include conditions modifying, or requiring or otherwise providing for the making of modifications to, the conditions of the licence.

(3) A transfer or an assignment, or purported transfer or assignment, of a bus depot licence or bus interchange licence, or of any right, benefit or privilege under the licence, is void and of no effect —

(a) if the licence is not capable of transfer or assignment;

(b) the transfer or assignment, or purported transfer or assignment, is in breach of a condition of the licence; or

(c) if there has been, before the transfer or assignment or purported transfer or assignment, a contravention of a condition subject to compliance with which the consent required by subsection (1) is given.

(4) Every bus depot licence or bus interchange licence is not capable of being surrendered without the consent in writing of the LTA, and any surrender or purported surrender of such a licence is void if it is without such consent.

PART 5

STEP-IN ARRANGEMENTS

Application of this Part

29. This Part applies only in relation to the following (called in this Part the relevant licensee):

- (a) a bus operator who is the holder of a Class 1 bus service licence;
- (b) a licensee holding a bus depot licence or a bus interchange licence.

Step-in order

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30.—(1) The Minister may make an order under this section (called a step-in order) if —

- (a) the licence of a relevant licensee is suspended, revoked or surrendered; or
- (b) the public bus services contract to which a relevant licensee is party is terminated or suspended,

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and on receipt of the written advice from the LTA of its opinion that it is necessary to take over some or all of the operations of the licensee to ensure that the licensee's customers receive an adequate provision of those services.

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(2) Before a step-in order is made under this section, the Minister must give the relevant licensee concerned a reasonable opportunity to make submissions in respect of the proposed step-in order.

(3) A step-in order —

- (a) authorises the LTA to directly take over, or to enter into an interim services contract with a step-in operator to take over, the operations of the relevant licensee concerned, or a specified part of those operations;
- (b) may appoint, or order the relevant licensee concerned to appoint, a person to advise the licensee in the proper conduct of its business;
- (c) may specify that —
 - (i) the step-in operator has such functions and powers in relation to the operations of the relevant licensee concerned as are specified in the order;
 - (ii) the relevant licensee concerned is to stop operating a bus depot or bus interchange for, or providing regular

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route services to, specified customers on and from a specified date; and

(iii) the step-in operator must have access to, and take control of, the buses or premises or other assets and other property, including intellectual property, licences and employees, used or required by the relevant licensee for the purposes of carrying on the operations specified in the order; and

(d) may contain ancillary directions that may —

(i) contain directions about how the costs of carrying on the bus operations or bus depot or bus interchange operations (as the case may be), and revenue generated from those operations, are to be dealt with;

(ii) fix the remuneration and expenses to be paid by a relevant licensee to any person appointed by the Minister under paragraph (b) to advise the relevant licensee in the proper conduct of its business;

(iii) specify the period for which the step-in order under subsection (1) applies; and

(iv) specify any other conditions that may apply.

(4) Any decision of the Minister under subsection (1) is final.

(5) A step-in order operates to the exclusion of rights that are inconsistent with the step-in order.

(6) The relevant licensee concerned —

(a) must facilitate the handover of the operations to the step-in operator as specified in the order;

(b) must not obstruct the step-in operator's access to property or the exercise by the step-in operator of the step-in operator's responsibilities under this section; and

(c) must comply with reasonable directions given by the step-in operator in the exercise of the step-in operator's responsibilities under this section.

(7) The relevant licensee which fails to comply with subsection (6) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 and, in the case of a continuing offence, to a further fine not exceeding \$100 for every day or part of a day during which the offence continues after conviction.

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Other provisions in step-in arrangements

31.—(1) Without prejudice to section 30(3), where financial assistance is provided by the Government to a relevant licensee for the purpose of maintaining the reliability of the supply of services by the relevant licensee, a step-in order may do one or more of the following:

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(a) in relation to all or any securities of a specified description that have been issued by the relevant licensee, make provision for or in connection with or in consequence of the transfer of shares or securities in the relevant licensee to any of the prescribed transferees, including the extinguishment of rights of any specified description to subscribe for, or otherwise acquire, securities of the operator concerned or any of its subsidiaries; and

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(b) make provision for or in connection with or in consequence of the transfer of property, rights or liabilities of the relevant licensee to any of the prescribed transferees.

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(2) A step-in order as is described in subsection (1)(a) or (b) may contain any of the particular kinds of provisions as may be prescribed by the Minister by rules published in the *Gazette*.

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(3) If such a step-in order as is described in subsection (1)(a) or (b) is made, the Minister must, within a period of 3 months after the making of the step-in order, by notification published in the *Gazette*, establish a scheme for determining the amount of any compensation payable by the relevant prescribed transferee —

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(a) to persons who held the shares or securities immediately before they were so transferred;

(b) to persons whose rights of any specified description to subscribe for, or otherwise acquire, securities are extinguished; or

(c) to the operator whose property, rights or liabilities have been transferred,

as the case may be.

(4) Any scheme established under subsection (3) may make provision —

(a) for the manner in which any compensation or consideration is to be assessed, including as to methods of calculation, valuation dates and matters to be taken into, or left out of, account in making valuations; and

(b) for the assessment to be made by an independent valuer appointed by the Minister and as to the remuneration and expenses of such an independent valuer.

(5) In subsection (1), “prescribed transferee” means —

(a) the LTA;

(b) a company that is wholly-owned by the Government; or

(c) a nominee of the LTA.

Interim services contracts

32.—(1) The LTA may enter into an interim services contract with any person if the LTA is satisfied that the contract is necessary to ensure the continuity of any regular route services or the operation of a bus depot or bus interchange for the time being discontinued —

(a) to ensure the continuity of regular route services or the operation of a bus depot or bus interchange in an interim period; or

(b) to provide regular route services or the operation of a bus depot or bus interchange temporarily,

in place of regular route services or the operation of a bus depot or bus interchange by a relevant licensee because of the suspension or

revocation of a licence or the termination of the licensee's public bus services contract.

(2) The LTA may invite offers from the public, in whatever way the LTA considers appropriate, for an interim services contract except that the LTA may enter into an interim services contract without inviting offers for the contract if the LTA is satisfied that the contract is necessary as a matter of urgency.

(3) An interim services contract is for a term of —

(a) not more than 12 months as decided by the LTA if the LTA entered into the interim services contract without inviting offers for the contract; or

(b) not more than 2 years as decided by the LTA in any other case.

Rules and saving for step-in arrangements

33.—(1) The Minister may, by rules published in the *Gazette*, give effect to this Part, including make provision for applying, omitting or modifying provisions of Part VIIIA of the Companies Act (Cap. 50) where a step-in order is made.

(2) Nothing effected or to be effected by this Part or done under this Part —

(a) is to be regarded as placing any person in breach of contract or confidence or as otherwise making any person guilty of a civil wrong;

(b) is to be regarded as placing any person in breach of, or as constituting a default under, any Act or other law or obligation or any provision in any agreement, arrangement or understanding including, but not limited to, any provision or obligation prohibiting, restricting or regulating the assignment, transfer, sale or disposal of any property or the disclosure of any information;

(c) is to be regarded as fulfilling any condition that allows a person to exercise a power, right or remedy in respect of or to terminate any agreement or obligation;

- (*d*) is to be regarded as giving rise to any remedy for a party to a contract or an instrument or as causing or permitting the termination of any contract or instrument because of a change in the beneficial or legal ownership of any relevant property;
- 5 (*e*) is to be regarded as causing any contract or instrument to be void or otherwise unenforceable, or as frustrating any contract; or
- (*f*) releases any surety or other obligor wholly or in part from any obligation.

10 PART 6

ENFORCEMENT AND MONITORING COMPLIANCE

Accounts and statements

34.—(1) Subject to subsection (4), a public bus operator holding a Class 1 bus service licence must —

- 15 (*a*) in respect of the whole or part, as the case may be, of every financial year, prepare such accounts and statements as are specified in, or ascertained in accordance with, the regulations;
- 20 (*b*) retain the accounts and statements prepared in accordance with paragraph (*a*) for 5 years after the end of the period to which they relate;
- (*c*) within the prescribed period after the accounting period, give the LTA those accounts and statements duly audited by an auditor approved by the LTA; and
- 25 (*d*) keep and retain records, where the records are relevant to the preparation of the accounts and statements of the licensee referred to in paragraph (*a*), for such period and in such manner as prescribed in the regulations.

30 (2) A public bus operator holding a Class 1 bus service licence must not prepare any such accounts or statements in such a way that they do not correctly record and explain the matters or things to which they relate.

(3) A person —

(a) who is subject to any requirement under subsection (1) or (2);
and

(b) who contravenes any such requirement,

shall be guilty of an offence and shall be liable on conviction to a fine 5
not exceeding \$10,000.

(4) The LTA may on application waive any requirement under
subsection (1) in any particular case.

Record-keeping and giving information on quality of service

35.—(1) A public bus operator holding a Class 1 bus service licence 10
and every bus service subcontractor who provides bus services under
an agreement with such a licensee, must —

(a) keep and retain, for such period as may be prescribed, records,
where the records are relevant to a matter that is relevant to
monitoring or evaluating, under this Part, the quality of an 15
aspect of bus services as prescribed in the regulations; and

(b) give to the LTA, within the period and in the manner
prescribed in the regulations, specified information that is
relevant to a matter that is relevant to monitoring or
evaluating, under this Part, the quality of an aspect of bus 20
services as prescribed in the regulations.

(2) A public bus operator holding a Class 1 bus service licence, and
every bus service subcontractor who provides bus services under an
agreement with such a licensee, must not, in purported compliance
with a requirement under subsection (1), make a record of any matter 25
or thing in such a way that it does not correctly record the matter or
thing.

(3) A person —

(a) who is subject to any requirement under subsection (1) or (2);
and

(b) who contravenes any such requirement,

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$10,000.

Power to obtain information

5 **36.**—(1) The LTA or an authorised officer may by written notice require any licensee to furnish, within a reasonable period specified in the notice, and in such form and manner as may be specified in the notice, all documents and information which —

10 (a) relate to any matter which the LTA considers necessary to carry out the functions or duties of the LTA by or under any provision of this Act; and

(b) are —

(i) within the knowledge of that licensee; or

(ii) in the licensee's custody or under the licensee's control.

15 (2) The power to require a licensee to furnish any document or information under subsection (1) includes the power —

(a) to require that licensee, or any individual who is or was an officer or employee of the licensee, to provide an explanation of the document or information;

20 (b) if the document or information is not furnished, to require that licensee or individual to state, to the best of the licensee's or individual's knowledge and belief, where it is; and

25 (c) if the information is recorded otherwise than in legible form, to require the information to be made available to the LTA in legible form.

(3) Any person who, without reasonable excuse, fails to do anything required of the person by notice under subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$10,000.

(4) Any person —

- (a) who intentionally alters, suppresses or destroys any document or information which the person has been required by a notice under subsection (1) to furnish; or
- (b) who, in furnishing any document or information required under subsection (1), makes any statement which the person knows to be false in a material particular or recklessly makes such a statement,

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$10,000 or to imprisonment for a term not exceeding 12 months or to both.

(5) If any person fails to comply with a notice under subsection (1), the court may, on the application of the LTA, make such order as the court thinks fit to secure compliance with the notice and any such order may provide that all the costs or expenses of and incidental to the application are to be borne by such person or by any officer of a company or other association who is responsible for the failure.

(6) The LTA through an authorised officer may, at any time after the expiry of the period specified in the notice referred to in subsection (1), enter any building or place where the LTA has reason to believe that any document or information, in respect of which it has given the notice, may be found, and seize or take extracts or copies of any such document or information.

(7) The LTA is entitled without payment to keep any document or information, or any copy of or extract from any document or information, furnished to the LTA under subsection (1) or obtained under subsection (6).

(8) Where a licensee is a licensed bus operator, the reference to a licensee in subsections (1) and (2) includes every bus service subcontractor who provides bus services under an agreement with such a licensee.

(9) Where a licensee is a licensed bus depot operator or a licensed bus interchange operator, the reference to a licensee in subsections (1) and (2) includes every bus depot or interchange subcontractor who

operates the bus depot or bus interchange specified in the licence under an agreement with such a licensee.

Codes of practice

37.—(1) The LTA may, from time to time —

- 5 (a) issue one or more codes of practice applicable to licensees or specified types of licensees;
- (b) approve as a code of practice applicable to licensees or specified types of licensees any document prepared by a person other than the LTA if the LTA considers the document
- 10 as suitable for this purpose; or
- (c) amend or revoke any code of practice issued under paragraph (a) or approved under paragraph (b),

with respect to all or any of the matters in subsection (2).

(2) The matters for the purposes of subsection (1) are —

- 15 (a) the conduct of licensees;
- (b) the measures necessary for licensees to deal with any plague, epidemic, fire, flood, earthquake or disaster (natural or otherwise) or any other public emergency;
- (c) competition, abuse of a dominant position in the market and fair market conduct in the bus service industry;
- 20 (d) for licensed bus operators —
 - (i) the management and operations of bus services;
 - (ii) the provision of bus services; and
 - (iii) the quality of such aspects of bus services; and
- 25 (e) for holders of a bus depot licence or bus interchange licence —
 - (i) the maintenance or operation of bus depots or bus interchanges and any equipment relating to the premises;
 - 30 (ii) the provision of services and facilities at bus depots or bus interchanges;

- (iii) the quality of such aspects of those services and facilities; and
- (iv) the security and safety of persons who use or who are engaged in any work at bus depots or bus interchanges.

(3) A code of practice may, in particular, specify the duties and obligations of any licensee in relation to its business operation insofar as it relates to the provision of bus services or the operation of a bus depot or bus interchange, as the case may be, in Singapore. 5

(4) If any provision in any code of practice is inconsistent with any provision of this Act, such provision, to the extent of the inconsistency — 10

(a) is to have effect subject to this Act; and

(b) having regard to this Act, is not to have effect.

(5) Where a code of practice is issued, approved, amended or revoked by the LTA under subsection (1), the LTA must — 15

(a) give notice of the issue, approval, amendment or revocation, as the case may be, of the code of practice to every licensee to which the code of practice applies;

(b) specify in the notice referred to in paragraph (a) the date of issue, approval, amendment or revocation, as the case may be; and 20

(c) ensure that, so long as the code of practice remains in force, copies of that code of practice, and of all amendments to that code of practice, are available for inspection, free of charge, by the licensees to whom the code of practice applies. 25

(6) No code of practice, no amendment to an approved code of practice, and no revocation of any such approved code of practice, has any force or effect as an approved code of practice until the notice relating thereto is published in accordance with subsection (5).

(7) A code of practice issued or approved under this section does not have legislative effect. 30

(8) Subject to subsection (9), every licensee must comply with the relevant codes of practice applicable to the licensee.

(9) The LTA may, either generally or for such time as the LTA may specify, waive the application of any code of practice or part thereof, issued or approved under this section to any licensee.

(10) Any contravention or failure to comply by a person with a code of practice that applies to the person does not of itself render the person liable to criminal proceedings, but any such contravention or failure may, in any proceedings (criminal or otherwise under this Act) in connection with an offence under this Act may be relied on by any party to those proceedings as tending to establish or negative any liability which is in question in those proceedings.

Directions affecting licensees

38.—(1) The LTA may give a direction to a licensee for or in respect of —

(a) the extent, hours and general level of service;

(b) any matter affecting the interests of the public in connection with the service provided by the licensee;

(c) in the case of bus depots or bus interchanges —

(i) the maintenance and operation of the bus depot or bus interchange and any equipment in those premises;

(ii) the security criteria for selecting persons engaged in any work at the bus depot or bus interchange;

(iii) the safety and security of persons using or at work at the bus depot or bus interchange; or

(iv) the terms and conditions that the licensee can impose on the use of the bus depot or bus interchange on persons referred to in section 26(2)(f)(i), (ii) and (iii); and

(d) in the case of bus services, the preservation and promotion of fair competition amongst operators of bus services.

(2) A direction given under subsection (1) —

(a) may require the licensee concerned (according to the circumstances of the case) to do, or to refrain from doing,

for a specified period, things specified in the direction or things that are of a description specified in the direction;

(b) takes effect at such time, being the earliest practicable time, as is determined by or under that direction; and

(c) may be revoked at any time by the LTA.

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(3) Before exercising any powers under subsection (1), the LTA must, unless the LTA in respect of any particular direction considers that it is not practicable or desirable, give written notice to the licensee concerned —

(a) stating that the LTA intends to give a direction to the licensee under this section and the nature of the direction; and

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(b) specifying the time (being not less than 14 days after the date of service of the notice on the licensee) within which written representations may be made to the LTA with respect to the proposed direction.

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(4) The LTA may, after considering any written representation under subsection (3)(b), decide to give or not give the direction as the LTA considers appropriate.

(5) The LTA must serve on the licensee concerned a notice of its decision under subsection (4).

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(6) Subject to section 41, a direction is to take effect from the date on which that notice under subsection (5) is given, or on such other date as may be specified in the notice.

(7) Every licensee must comply with every direction given under this section to the licensee as soon as it takes effect.

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Suspension or revocation, etc., of licence

39.—(1) Subject to subsection (3), if the LTA is satisfied that —

(a) a licensee is contravening or not complying with, or has contravened or failed to comply with —

(i) any of the conditions of its licence;

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- (ii) any provision of this Act applicable to the licensee, contravention of or non-compliance with which is not an offence;
 - (iii) any provision of a code of practice applicable to the licensee; or
 - (iv) any direction given to the licensee under section 38 or subsection (2)(d) or (f);
- (b) the licensee has gone or is likely to go into compulsory or voluntary liquidation other than for the purpose of amalgamation or reconstruction;
- (c) the licensee has made any assignment to, or composition with, its creditors or, if a company, is unable to pay its debts;
- (d) for a licensed bus operator, the licensee is not providing an adequate and satisfactory bus service;
- (e) for a licensee holding a Class 1 bus service licence, that licensee has not complied with any direction under section 19(3);
- (f) the licensee is convicted of any offence under this Act committed during the term of the licence, or any of the following individuals is convicted of an offence under this Act committed during the term of the licence:
- (i) any member of the board of directors or committee or board of trustees or other governing body, or the chief executive, of a licensee that is a company, limited liability partnership or other body corporate; or
 - (ii) any partner of a licensee that is a partnership or limited liability partnership; or
- (g) the public interest or national security of Singapore requires,
- the LTA may revoke (without any compensation) the licensee's licence, with or without forfeiting any performance bond, guarantee or other form of security furnished by the licensee under this Act.
- (2) However, the LTA may, in lieu of revoking a licensee's licence under subsection (1), do any one or more of the following:

- (a) censure the licensee in writing;
 - (b) modify any condition of the licence;
 - (c) require the furnishing of any performance bond, guarantee or other form of security, or an additional performance bond, guarantee or other form of security, to secure compliance by the licensee with any condition attached to the licence or for the purpose of meeting any financial penalty arising out of any proceedings with a view to regulatory action started or likely to start against the licensee, or both; 5
 - (d) direct the licensee to do, or to refrain from doing, such things as are specified in a direction to rectify a contravention or non-compliance; 10
 - (e) suspend (for not more than 6 months) the licence without any compensation;
 - (f) direct the licensee to pay, within a period specified in a direction, a financial penalty of such amount as the LTA thinks fit, being — 15
 - (i) not more than \$100,000 for each contravention or failure to comply with any instrument in subsection (1)(a) that is the subject; or 20
 - (ii) in any other case, not more than \$100,000.
- (3) Before exercising any powers under subsection (1) or (2), the LTA must give written notice to the licensee concerned —
- (a) stating that the LTA intends to take regulatory action against the licensee under this section; 25
 - (b) specifying the type of action in subsection (1) or (2) the LTA proposes to take, and each instance of non-compliance that is the subject of the action; and
 - (c) specifying the time (being not less than 14 days after the date of service of notice on the licensee) within which written representations may be made to the LTA with respect to the proposed action. 30

(4) The LTA may, after considering any written representation under subsection (3)(c), decide to take such regulatory action in subsection (2) as the LTA considers appropriate.

5 (5) Where the LTA has made any decision under subsection (4) against any licensee, the LTA must serve on the licensee concerned a notice of its decision.

(6) Subject to section 41, a decision to revoke a licence, or to impose a regulatory action in subsection (2), which is specified in the notice given under subsection (5) is to take effect from the date on which that
10 notice is given, or on such other date as may be specified in the notice.

(7) The suspension or revocation of any licence, or any direction issued under this section does not prejudice the enforcement by any person of any right or claim against the licensee or former licensee, or by the licensee or former licensee of any right or claim against any
15 person.

(8) Where any financial penalty is imposed on a licensee under subsection (2) for contravening or not complying with any condition in its licence, any performance bond, guarantee or other form of security given by the licensee to secure compliance by the licensee
20 with any condition attached to the licence must not be forfeited by the LTA for that contravention except to the extent to pay the financial penalty.

(9) In any proceedings under this section in relation to the conviction of a licensee or any person for a criminal offence, the
25 LTA is to accept the licensee's or person's conviction as final and conclusive.

(10) For the purposes of subsection (1)(c), a company is unable to pay its debts if it is a company which is deemed to be so unable under section 254(2) of the Companies Act (Cap. 50).

30 **Composition of offences**

40.—(1) The LTA, or any authorised officer authorised in writing by the LTA, may compound any offence under this Act which is prescribed as a compoundable offence by collecting from a person

reasonably suspected of having committed the offence a sum not exceeding the lower of either of the following:

- (a) one half of the amount of the maximum fine that is prescribed for the offence;
- (b) \$5,000.

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(2) On payment of such sum of money, no further proceedings are to be taken against that person in respect of the offence.

(3) All sums collected under this section are to be paid into the Consolidated Fund.

PART 7

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APPEALS

Appeal to Minister

41.—(1) The former holder of a licence revoked under section 39 (called the appellant) may appeal to the Minister against the decision by the LTA under that section to revoke the licence.

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(2) A licensee which is aggrieved by any of the following decisions of the LTA (called the appellant) may appeal to the Minister against the decision:

- (a) any refusal by the LTA under section 13(1)(b) or 25(3)(b) to renew the licensee's licence;
- (b) any condition imposed by the LTA in the licensee's licence under section 15 or 26, as the case may be;
- (c) any modification of any condition in the licensee's licence condition under section 16 or 27, as the case may be;
- (d) any provision contained in a code of practice applicable to the licensee that is issued, approved or modified by the LTA under section 37;
- (e) any regulatory action taken against the licensee under section 39(1) or (2);
- (f) any direction given by the LTA under section 19(3) or 38.

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(3) An applicant for a licence (called the appellant) may appeal to the Minister against any refusal by the LTA under section 13 or 24 to grant the applicant the licence.

(4) An appeal under this section must be in writing and specify the grounds on which it is made, and be made within a prescribed period after the date of receipt of the decision that is appealed against.

(5) The Minister may reject an appeal of an appellant who fails to comply with subsection (4).

(6) After consideration of an appeal, the Minister may —

(a) reject the appeal and confirm the LTA's decision; or

(b) allow the appeal and substitute or vary the LTA's decision.

(7) The Minister's decision on an appeal is final.

(8) Every appellant must be notified of the Minister's decision under subsection (7).

(9) An appeal against the LTA's decision does not affect the operation of the decision appealed against or prevent the taking of action to implement the decision, and unless otherwise directed by the Minister, the decision appealed against must be complied with until the determination of the appeal.

Designation of others to hear appeals

42. The Minister may designate any Minister of State or Parliamentary Secretary for his or her Ministry, to hear and determine, in the Minister's place, any appeals or a specific appeal under section 41; and any reference in that section to the Minister includes a reference to the Minister of State or Parliamentary Secretary so designated for that appeal.

PART 8

MISCELLANEOUS

Authorised officers

43.—(1) The LTA may, in relation to any provision in this Act or its regulations, appoint any of its officers or employees to be an

authorised officer for the purposes of that provision, either generally or in a particular case.

(2) The LTA may delegate the exercise of all or any of the powers conferred or duties imposed upon the LTA by any provision of this Act (except the power of delegation conferred by this subsection) to any authorised officer, subject to such conditions or limitations as set out in this Act or as the LTA may specify; and any reference in the provision of this Act to the LTA includes a reference to such an authorised officer.

Offences by bodies corporate, etc.

44.—(1) Where an offence under this Act committed by a body corporate is proved —

(a) to have been committed with the consent or connivance of an officer of the body corporate; or

(b) to be attributable to any neglect on the officer's part, the officer as well as the body corporate shall be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

(2) Where the affairs of a body corporate are managed by its members, subsection (1) is to apply in relation to the acts and defaults of a member in connection with the member's functions of management as if the member were a director of the body corporate.

(3) Where an offence under this Act committed by a partnership is proved —

(a) to have been committed with the consent or connivance of a partner; or

(b) to be attributable to any neglect on the partner's part, the partner as well as the partnership shall be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

(4) Where an offence under this Act committed by an unincorporated association (other than a partnership) is proved —

(a) to have been committed with the consent or connivance of an officer of the unincorporated association or a member of its governing body; or

(b) to be attributable to any neglect on the part of such an officer or a member,

the officer or member as well as the unincorporated association shall be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

(5) In this section —

“body corporate” includes a limited liability partnership;

“officer” —

(a) in relation to a body corporate, means any director, partner, member of the committee of management, chief executive, manager, secretary or other similar officer of the body corporate and includes any person purporting to act in any such capacity; or

(b) in relation to an unincorporated association (other than a partnership), means the president, the secretary, or any member of the committee of the unincorporated association, or any person holding a position analogous to that of president, secretary or member of a committee and includes any person purporting to act in any such capacity;

“partner” includes a person purporting to act as a partner.

(6) The Minister may make regulations to provide for the application of any provision of this section, with such modifications as the Minister considers appropriate, to any body corporate, limited liability partnership or unincorporated association formed or recognised under the law of a territory outside Singapore.

Service of documents

45.—(1) A document that is permitted or required by this Act to be served on a person may be served as described in this section.

(2) A document permitted or required by this Act to be served on an individual may be served —

- (a) by giving it to the individual personally;
- (b) by sending it by prepaid registered post to the address specified by the individual for the service of documents or, if no address is so specified, the individual's residential address or business address; 5
- (c) by leaving it at the individual's residential address with an adult apparently resident there, or at the individual's business address with an adult apparently employed there; 10
- (d) by affixing a copy of the document in a conspicuous place at the individual's residential address or business address;
- (e) by sending it by fax to the fax number last known to the person giving or serving the document as the fax number for the service of documents on the individual; or 15
- (f) by sending it by email to the individual's last email address.

(3) A document permitted or required by this Act to be served on a partnership (other than a limited liability partnership) may be served —

- (a) by giving it to any partner, secretary or other like officer of the partnership; 20
- (b) by leaving it at, or by sending it by prepaid registered post to, the partnership's business address;
- (c) by sending it by fax to the fax number used at the partnership's business address; or 25
- (d) by sending it by email to the partnership's last email address.

(4) A document permitted or required by this Act to be served on a body corporate (including a limited liability partnership) or an unincorporated association may be served —

- (a) by giving it to the secretary or other similar officer of the body corporate or the unincorporated association, or the limited liability partnership's manager; 30

(b) by leaving it at, or by sending it by prepaid registered post to, the body corporate's or unincorporated association's registered office or principal office;

5 (c) by sending it by fax to the fax number used at the body corporate's or unincorporated association's registered office or principal office; or

(d) by sending it by email to the body corporate's or unincorporated association's last email address.

(5) Service of a document under subsection (1) takes effect —

10 (a) if the document is sent by fax and a notification of successful transmission is received, on the day of transmission;

(b) if the document is sent by email, at the time that the email becomes capable of being retrieved by the person; and

15 (c) if the document is sent by prepaid registered post, 2 days after the day the document was posted (even if it is returned undelivered).

(6) In this section, “document” includes a notice or an order permitted or required by this Act to be served.

20 (7) However, this section does not apply to documents to be served in proceedings in court.

(8) In this section —

“business address” means —

(a) in the case of an individual, the individual's usual or last known place of business in Singapore; or

25 (b) in the case of a partnership (other than a limited liability partnership), the partnership's principal or last known place of business in Singapore;

“last email address” means —

30 (a) the last email address given by the addressee concerned to the person giving or serving the document as the email address for the service of documents under this Act; or

- (b) the last email address of the addressee concerned known to the person giving or serving the document;

“residential address” means an individual’s usual or last known place of residence in Singapore.

General exemption

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46. The Minister may, by order published in the *Gazette*, exempt any person or class of persons from all or any provisions of this Act, either generally or in a particular case and subject to such conditions as the Minister may impose.

Jurisdiction of courts

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47. Despite any provision to the contrary in the Criminal Procedure Code (Cap. 68), a District Court has jurisdiction to try any offence under this Act and has power to impose the full penalty or punishment in respect of the offence.

No compensation payable

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48. No compensation is payable by the LTA to any person in respect of or as a consequence of any decision of the LTA under this Act —

- (a) to enter into or not to enter into a public bus services contract with anyone;
- (b) not to renew a public bus services contract; or
- (c) to suspend or terminate a public bus services contract.

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Regulations

49.—(1) The LTA, with the approval of the Minister, may make regulations necessary or convenient to be prescribed for carrying out or giving effect to this Act.

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(2) In particular, the LTA may make regulations for any of the following:

- (a) classes of licences;
- (b) the form and manner in which, and the time within which, an application for a licence or an application to renew a licence

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may be made, and the information and evidence required to be provided in connection with such an application;

(c) the carrying out of inquiries of applicants for a licence;

(d) the duties of licensees;

5 (e) the fees to be paid in respect of applications for and the grant and renewal or late renewal of any licence, and otherwise in connection with the administration of this Act, and the waiver, reduction or refund of fees charged;

10 (f) the records that are to be kept by licensees and the provision of returns and other information with respect to the operation of bus services, or bus depots and bus interchanges;

15 (g) service standards or other requirements, restrictions or conditions which are to apply in the provision of bus services by a bus service licensee which is not a public bus operator.

(3) Regulations made under this section may —

(a) provide that any contravention of any provision of the regulations shall be an offence punishable with a fine not exceeding \$5,000; and

20 (b) provide for such transitional, savings and other consequential, incidental and supplemental provisions as are necessary or expedient.

(4) All regulations made under this section are to be presented to Parliament as soon as possible after publication in the *Gazette*.

25 **Consequential amendment to Competition Act**

50. Paragraph 6(2) of the Third Schedule to the Competition Act (Cap. 50B, 2006 Ed.) is amended by deleting sub-paragraph (d) and substituting the following sub-paragraph:

30 “(d) the supply of bus services by a licensed bus operator under the Bus Services Industry Act 2015;”.

Consequential amendment to Energy Conservation Act

51. Section 2 of the Energy Conservation Act (Cap. 92C, 2014 Ed.) is amended by deleting paragraph (a) of the definition of “land transport operator” and substituting the following paragraph:

“(a) a bus service under a Class 1 bus service licence granted under the Bus Services Industry Act 2015;” 5

Consequential amendments to Land Transport Authority of Singapore Act

52. The Land Transport Authority of Singapore Act (Cap. 158A, 1996 Ed.) is amended — 10

(a) by deleting the definitions of “ “bus service licence”, “bus service operator” and “bus service operator’s licence” ” in section 2 and substituting the following definition:

“ “bus service licence” has the same meaning as in the Bus Services Industry Act 2015;” 15

(b) by deleting the words “and bus service operator’s licences” in section 6(1)(g)(i);

(c) by deleting the words “or bus service operator’s licences” in sections 6(1)(g)(ii) and 13B(2)(c);

(d) by deleting the words “or a bus service operator’s licence” in sections 6(1)(g)(iii), 13(1)(ja) and 13B(2)(a); 20

(e) by inserting, immediately after paragraph (g) of section 6(1), the following paragraph:

“(ga) to operate any bus service or any bus depot or bus interchange, if there is for any reason no licensee under the Bus Services Industry Act 2015 to operate that bus service, bus depot or bus interchange (as the case may be), having regard to the reasonable requirements of the land transport system in Singapore or the relevant part thereof;” 25 30

(f) by deleting the words “or bus service operator’s licence” in sections 7(1)(fd) and (5) and 13B(1)(i).

Consequential amendments to Public Transport Council Act

53.—(1) The Public Transport Council Act (Cap. 259B, 2012 Ed.) is amended —

- 5 (a) by deleting the definitions of “bus service operator” and “bus service operator’s licence” in section 2;
- (b) by repealing Parts IV and IVA;
- (c) by deleting the words “a bus service operator’s licence or” in section 22A(1) and substituting the words “Class 1 bus service licence”;
- 10 (d) by deleting the words “Part IVA or” in section 22C(1), (2), (3) and (5) and substituting in each case the word “Part”;
- (e) by deleting the words “Part IVA or” in section 22D(1) and substituting the word “Part”;
- (f) by deleting the words “bus service or” in section 22E(1)(a);
- 15 (g) by deleting the words “operators of bus services or” in section 22E(1)(c);
- (h) by deleting the words “bus services or” in section 22F(1)(a);
- (i) by deleting the words “operation or provision of bus services or” in section 22F(1)(b) and substituting the words “provision of”;
- 20 (j) by deleting the words “operators of bus services or” in section 22F(1)(c);
- (k) by deleting sub-paragraph (i) of section 22H(1)(a) and (b);
- (l) by deleting the words “section 16(3) or” in section 22I(1)(a) and substituting the word “section”; and
- 25 (m) by deleting the words “bus service licences, bus service operator’s licences and” in section 28(2)(a) and (b).

(2) Section 25A of the Public Transport Council Act is repealed and the following section substituted therefor:

“Penalty for unauthorised ticket payment service

25A. Any person who contravenes section 19(1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 6 months or to both and, in the case of a continuing offence, to a further fine not exceeding \$5,000 for every day or part of a day during which the offence continues after conviction.”.

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Consequential amendments to Road Traffic Act

54. The Road Traffic Act (Cap. 276, 2004 Ed.) is amended —

(a) by repealing Part VB; and

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(b) by deleting the words “bus service operator” in section 127B(5)(c) and (d) and substituting in each case the words “bus operator holding a Class 1 bus service licence (within the meaning of the Bus Services Industry Act 2015)”.

Saving and transitional provision

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55.—(1) This Act applies to and in relation to —

(a) every bus service licence that is granted, before the date of commencement of section 53(1), under Part IV of the Public Transport Council Act (Cap. 259B) and is in force on that date;

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(b) every bus service operator’s licence that is granted, before the date of commencement of section 53(1), under Part IVA of the Public Transport Council Act and is in force on that date;

(c) every licence granted, before the date of commencement of section 54(a), under section 111M of the Road Traffic Act (Cap. 276) to operate any bus interchange or bus depot and is in force on that date;

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(d) every application under the Public Transport Council Act for or to renew a bus service licence or a bus service operator’s licence and pending on the date of commencement of section 53(1); and

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(e) every application under the Road Traffic Act for or to renew a licence to operate any bus interchange or bus depot and pending on the date of commencement of section 54(a),

subject to such adaptations provided in the Schedule to this Act.

5 (2) For a period of 2 years after the date of commencement of this section, the Minister may, by regulations, prescribe such additional provisions of a savings or transitional nature consequent on the enactment of this section as the Minister may consider necessary or expedient.

10 (3) Nothing in this section or the Schedule prejudices section 16 of the Interpretation Act (Cap. 1).

THE SCHEDULE

Section 55

SAVING AND TRANSITIONAL PROVISIONS

15

PART 1

BUS SERVICES

1.—(1) Subject to sub-paragraph (2), every bus service licence that —

(a) is granted, before the date of commencement of section 53(1), under Part IV of the Public Transport Council Act (Cap. 259B); and

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(b) is in force on that date,

is, so far as it is not inconsistent with the provisions of this Act, to continue as if, and is deemed to be, a Class 2 bus service licence granted by the LTA under Part 3 of this Act.

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(2) However, every bus service licence referred to in sub-paragraph (1) lapses on the date of commencement of section 53(1) if, on that date, the holder of the licence also holds a bus service operator's licence referred to in paragraph 2(1).

2.—(1) Subject to sub-paragraphs (2) and (3), every bus service operator's licence that —

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(a) is granted, before the date of commencement of section 53(1), under Part IVA of the Public Transport Council Act; and

(b) is in force on that date,

THE SCHEDULE — *continued*

is, so far as it is not inconsistent with the provisions of this Act, to continue as if, and is deemed to be, a Class 1 bus service licence granted by the LTA under Part 3 of this Act.

(2) However, the following provisions do not apply to or in relation to the holder of a licence referred to in sub-paragraph (1) which, on the date of commencement of section 53(1), is not a public bus operator, until that licence expires or is earlier revoked under section 39: 5

(a) section 20;

(b) all provisions in Part 5 of this Act. 10

(3) The following provisions in this Act apply, with the modifications and adaptations specified, to or in relation to the holder of a licence referred to in sub-paragraph (1) which, on the date of commencement of section 53(1), is not a public bus operator until that licence expires or is earlier revoked under section 39:

(a) section 16(2)(b) has effect as if the reference to 14 days is replaced with the reference to 28 days; 15

(b) section 19 has effect as if there is no reference to the chief executive officer of the licensee;

(c) section 34 has effect to the extent not inconsistent with section 22D of the Public Transport Council Act, which is deemed to continue to have effect as if this Act has not been enacted. 20

3.—(1) Where —

(a) an application or other document is lodged for approval under the Part IV or IVA of the Public Transport Council Act before the date of commencement of section 53(1); and 25

(b) the application or other document was not approved by the Public Transport Council before that date,

the application or other document is, where applicable, deemed to be an application or a document lodged for approval with the LTA under the corresponding provisions in Part 3 of this Act. 30

(2) Anything that has been started by the Public Transport Council in connection with an application or a document under sub-paragraph (1) may be carried on and completed by the LTA under the corresponding provisions in Part 3 of this Act.

4. Every code of practice relating to bus services that —

(a) is issued or approved, before the date of commencement of section 53(1), under section 22E of the Public Transport Council Act; and 35

(b) is in force on that date,

THE SCHEDULE — *continued*

is, so far as it is not inconsistent with the provisions of this Act, to continue as if the LTA issued or adopted the code of practice under section 37.

5. Every direction affecting bus services that —

5 (a) is issued or approved, before the date of commencement of section 53(1), under section 22F of the Public Transport Council Act; and

(b) is in force on that date,

is, so far as it is not inconsistent with the provisions of this Act, to continue as if the LTA gave the direction under section 38.

10 6. All such part of security deposits deposited with, and the benefits of all guarantees given to, the Public Transport Council before the date of commencement of section 53(1) and not forfeited before that date are, without further assurance, transferred and deemed deposited with or given to the LTA.

7. Section 39 does not apply to any proceedings against a bus operator —

15 (a) under section 22H of the Public Transport Council Act as in force on the date of commencement of section 53(1); and

(b) pending on that date,

and those proceedings may be continued, and any penalty may be imposed, by the body corporate called the Public Transport Council as if section 53(1) had not been enacted.

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8.—(1) Section 39 applies, with the modifications and adaptations specified, to or in relation to the holder of a licence referred to in paragraph 2(1) until that licence expires or is earlier revoked under section 39:

25 (a) section 39(2)(f) does not apply to or in relation to any regulatory default occurring before the date of commencement of section 53(1);

(b) in lieu of section 39(2)(f), the limit on financial penalties in section 22H(1) of the Public Transport Council Act as in force immediately before that date continues to apply to or in relation to any regulatory default occurring before the date of commencement of section 39(2)(f) as if this Act had not been enacted.

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(2) In sub-paragraph (1), “regulatory default” means any conduct of a holder of a licence referred to in section 22H(1)(a) to (f) of the Public Transport Council Act as in force immediately before the date of commencement of section 53(1).

9. Where an appeal has been made to the Minister —

35 (a) under section 22I of the Public Transport Council Act before the date of commencement of section 53(1); and

THE SCHEDULE — *continued*

(b) the appeal has not been dealt with or disposed of immediately before that date,
the appeal may be dealt with in accordance with Part 7.

PART 2

5

BUS DEPOTS AND BUS INTERCHANGES

1.—(1) Subject to sub-paragraph (2), every licence that —

(a) is granted, before the date of commencement of section 54(a), under section 111M of the Road Traffic Act (Cap. 276) to operate any bus depot or bus interchange; and

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(b) is in force on that date,

is, so far as it is not inconsistent with the provisions of this Act, to continue as if, and is deemed to be, a licence to operate that bus depot or licence to operate that bus interchange (as the case may be) granted under Part 4 of this Act (called in this Part a deemed licence).

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(2) However, the following provisions do not apply to or in relation to the holder of a deemed licence until that licence expires or is earlier revoked under section 39:

(a) sections 28 and 36;

(b) all provisions in Part 5.

(3) Section 39 applies, with the modifications and adaptations specified, to or in relation to the holder of a deemed licence until that licence expires or is earlier revoked under section 39:

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(a) section 39(1)(f) and (g) does not have effect in relation to any conduct of the holder before the date of commencement of section 54(a);

(b) section 39(2)(a), (b), (c) and (f) does not apply to or in relation to any regulatory default occurring before the date of commencement of section 39(2)(a), (b), (c) and (f);

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(c) in lieu of section 39(2)(f), the limit on financial penalties in section 111R(1)(iii) of the Road Traffic Act as in force immediately before that date continues to apply to or in relation to any regulatory default occurring before the date of commencement of that provision as if this Act had not been enacted.

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(4) In sub-paragraph (3), “regulatory default” means any conduct of a holder of a deemed licence referred to in section 111R(1)(a) to (d) of the Road Traffic Act as in force immediately before the date of commencement of section 54(a).

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THE SCHEDULE — *continued*

2.—(1) Where —

- (a) an application or other document is lodged for approval under section 111M(2) or 111S(1) of the Road Traffic Act before the date of commencement of section 54(a); and
- (b) the application or other document was not approved by the LTA before that date,

the application or other document is, where applicable, deemed to be an application or a document lodged for approval with the LTA under the corresponding provisions of Part 4 of this Act.

(2) Anything that has been started by the LTA in connection with an application or document in sub-paragraph (1) may be carried on and completed by the LTA under the corresponding provisions in Part 4 of this Act.

3. This Act does not apply to any proceedings —

- (a) under section 111R of the Road Traffic Act as in force on the date of commencement of section 54(a); and
- (b) pending on that date,

and those proceedings may be continued, and any penalty may be imposed, by the LTA as if section 54(a) had not been enacted.

4. Every code of practice relating to bus depots or bus interchanges that —

- (a) is issued or approved, before the date of commencement of section 54(a), under section 111QA of the Road Traffic Act; and
- (b) is in force on that date,

is, so far as it is not inconsistent with the provisions of this Act, to continue as if the LTA issued or adopted the code of practice under section 37.

5. Every direction affecting the operation of a bus depot or bus interchange that —

- (a) is issued or approved, before the date of commencement of section 54(a), under section 111Q of the Road Traffic Act; and
- (b) is in force on that date,

is, so far as it is not inconsistent with the provisions of this Act, to continue as if the LTA gave the direction under section 38.

6. Where an appeal has been made to the Minister —

- (a) under section 111T of the Road Traffic Act before the date of commencement of section 54(a); and

THE SCHEDULE — *continued*

(b) the appeal has not been dealt with or disposed of immediately before that date,

the appeal may be dealt with in accordance with Part 7.

EXPLANATORY STATEMENT

This Bill seeks to regulate the provision of bus services, and the operation of bus depots and bus interchanges in Singapore.

Part 1 introduces the fundamental concepts used in the Bill.

Part 2 provides the framework for the procurement of bus services.

Part 3 contains the regulatory framework for operators of bus services.

Part 4 contains the regulatory framework for operators of bus depots and bus interchanges.

Part 5 provides for step-in arrangements in the event licences are cancelled or suspended or contracts are terminated.

Part 6 confers powers of inspection and regulatory action for the proper administration of the Bill.

Part 7 provides for appeals against certain decisions of the Land Transport Authority of Singapore (LTA).

Part 8 contains a variety of general provisions, including saving and transitional arrangements for existing licence holders.

The Bill also makes consequential amendments to certain other Acts.

PART 1

PRELIMINARY

Clause 1 relates to the short title and commencement.

Clause 2 is a general definition provision. It contains definitions of terms used in several Parts of the Bill.

A “bus” refers to a motor vehicle registered as a bus under the Road Traffic Act (Cap. 276).

A “bus service” is defined simply to mean a service for the carriage of passengers for a bus fare by buses on roads for journeys wholly or partly within Singapore. However, different licences are required for different bus services.

The main type of bus service regulated by the Bill is called a regular route service, which is defined to mean a bus service that is conducted according to pre-determined routes and timetables with 2 or more bus stopping points within Singapore. This includes services for bus journeys wholly within Singapore with multiple bus stopping points in Singapore, as well as bus journeys partly within Singapore and picks up passengers at several bus stopping points within Singapore, such as the bus service no. 170 that has its terminus in Larkin, Johor.

However, a tourist bus service, a community bus service and a courtesy bus service are not regular route services even though they may run with regularity on pre-determined routes and timetables. These are regarded generally as bus services. The Minister is conferred power to exclude from the scope of “regular route service” any other type of bus service by way of an order published in the *Gazette*.

The “bus operator” is whoever that operates the bus service but does not include the LTA (even though the LTA has power to operate a bus service).

Operating a bus service is defined to mean to control or direct the operations of the bus service in connection with a business for, or involving, the transport of passengers by road by that bus service. This does not include merely arranging for the registration of a bus, merely driving a bus, or merely maintaining or arranging for the maintenance of a bus.

The Bill requires a bus service licence to operate a bus service. There are 2 classes of such licences. The Class 1 bus service licence authorises the operation of 10 or more regular route services by the licence holder. Class 1 bus service licences will not cover bus services that are not regular route services. That will be the subject of a Class 2 bus service licence, which authorises a single bus service mentioned in the licence.

For example, a bus operator who wants to operate fewer than 10 regular route services has to obtain a Class 2 bus service licence for each of those routes. A bus operator who wants to operate 12 tour bus services will also have to obtain 12 Class 2 bus service licences.

There is also a definition of “public bus services contract” which is a contract with the LTA to provide regular route services. A bus operator which is party to such a contract is termed in the Bill as a “public bus operator”.

A “bus depot” is defined to mean any premises with purpose-built facilities for the parking, maintenance or refuelling of buses by bus operators holding Class 1 bus service licences. A “bus interchange”, on the other hand, is defined as a terminal or station with purpose-built facilities for the commencement or termination of one or more bus services and for the boarding or alighting of bus passengers. A licence is required by the Bill to operate a bus depot or bus interchange, and they are called “bus depot licence” and “bus interchange licence”, respectively, in the Bill.

Clause 3 sets out the purposes of the Bill, which are —

- (a) to regulate the provision in Singapore of bus services and the operators of bus depots and bus interchanges;
- (b) to implement a bus services procurement framework; and
- (c) to provide for the service standards that are to apply in the provision of bus services and operation of bus depots and bus interchanges,

so as to facilitate the delivery of safe, reliable and efficient bus services in Singapore.

Clause 4 makes it clear that the Bill will bind the Government and explains the interface between the Bill and other existing laws that can apply with respect to operations of bus services, such as the Road Traffic Act.

Clause 5 provides that the administration of the Bill is the function of the LTA. The clause also provides that in discharging the functions and duties imposed on it, the LTA must have regard to the need for reliable, seamless and convenient passenger travel on buses and other forms of land transport in Singapore, for ensuring that licensees or persons authorised under the Bill to operate any bus service, bus depot or bus interchange is able to do so efficiently whilst maintaining independent financial viability, and for sustainability, adequacy and optimisation of capacity across the network of bus services and services for train journeys within Singapore.

PART 2

BUS SERVICES PROCUREMENT FRAMEWORK

Part 2 sets out a bus services procurement framework for bus services that establishes clear lines of accountability for bus operators of those services, and provides mechanism to improve access and service development in bus services.

Clause 6 empowers the LTA to enter into a public bus services contract for the provision of one or more regular route services. The LTA may seek tenders for a public bus services contract or invite them by any other means. A public bus services contract can include as a condition precedent that the bus operator contracting must first be a licensed bus operator.

Clause 7 deals with the contents of a public bus services contract. Such a contract must specify the performance standards to be met by the bus operator party to the contract in relation to the provision of the bus services in the contract, the term of the contract, and the manner in which the public bus operator who is party to the contract will be remunerated or gain revenue from the provision of the regular route service or services under the contract.

Clause 7 also provides for a non-exhaustive list of matters that a public bus services contract may also contain in relation to the operation of a bus service under the contract and the administration of the contract. These optional terms and conditions include the variation of the contract to extend the service into developing areas in Singapore, for public safety or because of changed traffic conditions, to address a serious or frequent failure on the part of the bus operator under the contract to observe the terms and conditions of the contract or to address the public bus operator under the contract having been found guilty of an offence under the Bill committed during the term of the contract.

Clause 8 requires the performance standards in a public bus services contract to be enforced by civil penalty provisions or in any other manner provided in the contract. Other provisions in a public bus services contract may be enforced under civil penalty provisions if so provided in the contract. An amount payable under a civil penalty provision may be recovered as a debt due to the LTA or by withholding amounts otherwise payable under the public bus services contract if so provided.

A “penalty provision” means a provision in a public bus services contract that provides for the payment of an amount of penalty for a breach of a public bus services contract or for a failure (not being a breach of contract) to meet a requirement specified in the contract, or in the event of termination of the contract. This is permissible even if there is no feasible pre-estimate of loss to the LTA, as clause 8 has effect despite any rule of or principle at common law.

Clause 9 provides that the LTA may enter into a further public bus services contract with a licensed bus operator on, before or after the expiry of the term of a public bus services contract with that bus operator only if the LTA decides that that operator’s performance under the public bus services contract (called in the clause an existing public bus services contract) has been satisfactory. A further contract may be on the same or different terms.

However, clause 9 does not confer on anyone a right to or expectation of a further public bus services contract, and does not apply to an existing public bus services contract in relation to which an option to renew may be exercised under the contract, or an interim services contract (see clause 32).

Clause 10 provides that a public bus services contract is automatically terminated if the public bus operator that is party to a contract with a condition precedent requiring the operator to have a licence (see clause 6(2)) ceases to hold the bus service licence for the regular route service or services specified in the contract.

A public bus services contract is also automatically terminated if the public bus operator party to the contract contravenes clause 17 (restrictions on the transfer or surrender of bus service licence).

Automatic termination does not limit the enforcement by penalty provisions in the public bus services contract for the termination of the contract.

PART 3 LICENSING OF BUS OPERATORS

Part 3 provides for the licensing of operators of bus services.

Division 1 sets out general provisions applying to all classes of bus service licences.

Clause 11 creates an offence of unlawful operation of bus services in Singapore. A person must not operate in Singapore any bus service unless the person is authorised to do so by a bus service licence for that bus service, the person is exempt from the clause in relation to that bus service, the person is the LTA who may operate bus services directly if there is no one else, or the person is a subcontractor of any of the former. A subcontractor of a bus service licensee, an exempt person or the LTA, who is authorised to operate the bus service on behalf of these persons may do so without the need for a bus service licence.

Clause 12 provides for applications for or to renew a bus service licence. These must be made to the LTA. The LTA may refuse to consider an application for or to renew a bus service licence that is incomplete or not made in accordance with the clause.

Clause 13 deals with the matters that the LTA considers when granting or renewing bus service licences.

For a Class 1 bus service licence, the LTA has to have regard to, and give such weight as the LTA considers appropriate to, a list of matters which is non-exhaustive:

- (a) the applicant's capacity to comply with the requirements for financial viability in operating the regular route services in the application;
- (b) the applicant's capacity to deliver the regular route services in the application according to the performance standards and other terms in a public bus services contract;
- (c) the demand for the regular route services in the application;
- (d) the existence of other bus services in the same area;
- (e) whether the applicant is a company, partnership or limited liability partnership;
- (f) whether it is otherwise contrary to the public interest for the licence to be granted to the applicant.

For a Class 1 bus service licence, the suitability of the applicant and its key officers (such as member of the board of directors or committee or board of trustees or other governing body) to be involved in the management or operation of the regular route services is also part of the criteria the LTA must take into account.

In assessing a person's suitability, the LTA has to have regard to the degree and nature of the person's proposed involvement in the public bus system in Singapore, and have regard to, and give such weight as the LTA considers appropriate to, the person's relevant knowledge, competency and experience, and any conviction for any offence, whether or not the conviction was in a Singapore court and whether or not the offence was committed before the operative date of the clause.

The LTA is also to take into account any evidence of any regulatory action under clause 39 in relation to the person for contravening the Bill or any notice or direction given under, or any provision of, the Bill (which includes its subsidiary legislation), and of convictions under the Bill, the Public Transport Council Act (Cap. 259B) or under Part V of the Road Traffic Act or rules made thereunder in relation to buses.

For a Class 2 bus service licence, the LTA has to have regard to, and give such weight as the LTA considers appropriate to, a shorter list of non-exhaustive matters:

- (a) the applicant's ability and financial capacity to operate the bus services in the application in a satisfactory, safe and efficient manner;
- (b) the suitability of the route or routes on which a bus service is to be provided under the licence;
- (c) the extent, if any, to which the needs of those proposed route or routes are already adequately and satisfactorily served by existing land transport facilities;
- (d) the needs of the area as a whole in relation to passenger demand (including the provision of adequate, safe, suitable and efficient services, the elimination of unnecessary or unsatisfactory services and the provision of unremunerative services) and the coordination of all forms of passenger transport;
- (e) whether it is otherwise contrary to the public interest for the licence to be granted to the applicant.

A fee may be prescribed by regulations for the issue or renewal of a bus service licence.

The LTA may grant a renewal of a bus service licence with or without modifying the conditions of the licence. But when it does so, the process for modifying conditions in clause 16 does not apply.

Clause 14 deals with the class and validity of bus service licences. A bus service licence can be either a Class 1 or Class 2 bus service licence and it must therefore

state its class. Every bus service licence granted or renewed is valid for such period as may be specified in the licence unless following regulatory action under clause 39, the licence is earlier suspended or revoked.

Clause 15 empowers the LTA, in granting a bus service licence to any person, to impose such conditions as the LTA considers requisite or expedient having regard to the purposes of the Bill.

In particular, in granting a Class 1 bus service licence to any person to operate regular route services, the LTA may impose conditions relating to —

- (a) the use and deployment of the buses managed by the licensee in operating the regular route services;
- (b) the security and safety of persons using or engaged in work on those buses; and
- (c) the conduct of the employees, agents and contractors of the licensee.

Other conditions also include requirements to provide a performance bond, guarantee or any other form of security of such amount, and requiring the licensee itself to deal with any plague or epidemic, fire, flood, earthquake or disaster (natural or otherwise) or any other public emergency.

As is the case under section 18(2)(a) of the Public Transport Council Act today, a Class 1 bus service licence may require the licensee to undergo (at its own cost) such audit as the LTA may require to ascertain the licensee's compliance with the Bill or a code of practice applicable to the licensee, the licence conditions or a direction under clause 38.

Among the conditions that LTA may impose in granting a Class 2 bus service licence to any person are conditions relating to —

- (a) the safety and security of passengers of the bus service and other persons who use the buses; and
- (b) the operating hours, route, bus stopping points and other activities of the bus service connected with a safe and secure operation.

Clause 16 empowers the LTA to add to, delete or modify the conditions of a licence after observing the process prescribed in the clause.

Clause 17 places restriction on the transfer and surrender of bus service licences.

A bus service licence, and any rights, benefits or privileges under the licence, is not transferable or assignable to any other person unless the licence contains a condition authorising the transfer or assignment, and the LTA consents in writing to the transfer or assignment. The LTA may give consent subject to compliance with such conditions as the LTA thinks fit to impose. These may include modifying the

conditions of the licence, in which case the process in clause 16 must also be observed.

A transfer or an assignment, or purported transfer or assignment, of a bus service licence, or of any rights, benefits or privileges under the licence, is void and of no effect if the licence is not capable of transfer or assignment, if the transfer or assignment, or purported transfer or assignment, is in breach of a condition of the licence, or if before the transfer or assignment or purported transfer or assignment, there had been a contravention of a condition subject to compliance with which the LTA's consent is given.

Finally, clause 17 also provides that every bus service licence is not capable of being surrendered without the consent in writing of the LTA. Any surrender or purported surrender of a bus service licence is void if it is without LTA's consent.

Division 2 sets out special restrictions for Class 1 bus service licences.

Clause 18 deals with changes in the management of holders of Class 1 bus service licences. The clause makes it a condition of every Class 1 bus service licence that the licensed bus operator to whom the licence is granted must notify the LTA of certain events:

- (a) if the licensee is a company, the resignation of any director of the company; or
- (b) if the licensee is a partnership, limited liability partnership or company, the death of its partners or directors.

Failure to notify is a ground for regulatory action under clause 39.

Clause 19 places restrictions on the appointment and removal of a chief executive officer, director, etc., of a bus operator holding a Class 1 bus service licence that is a company, limited liability partnership or other body corporate. Such a licensee must not do any of the following without the prior written approval of the LTA:

- (a) appoint or re-appoint an individual as its chief executive officer, or the chairman of its board of directors or any of its directors;
- (b) remove its chief executive officer or the chairman of its board of directors or any of its directors.

For a bus operator that is a partnership and holding a Class 1 bus service licence, an individual must not become a partner of the partnership unless the individual has obtained the prior written approval of the LTA.

Where an individual is appointed or re-appointed or is removed as its chief executive officer, or its director or the chairman of its board of directors, in contravention of restrictions, clause 19 empowers the LTA to issue a direction to

remove that individual from the individual's appointment or expel the individual as partner, as the case may be, or to reinstate the individual.

Clause 20 places restrictions on acquisition of essential operating assets for regular route services, or an interest in such an essential operating asset (whether or not the acquisition is by way of the enforcement of a loan security). Such an acquisition may take place only if the person is a public bus operator holding a Class 1 bus service licence authorised to operate those regular route services, or the LTA consents in writing to that acquisition. Any acquisition, or a purported acquisition of such an essential operating asset in contravention is void.

An "essential operating asset", for any regular route service, is defined to mean any bus, plant, equipment, machinery or other property which is used or intended to be used (and whether or not it is also used for other purposes) by a public bus operator holding a Class 1 bus service licence to provide the regular route services under that public bus services contract, or makes up part of the public bus system and is essential to the continuity of the regular route services, or is designated to be an essential operating asset by or under a public bus services contract.

Clause 21 places restrictions on the voluntary winding up of a company that is a public bus operator holding a Class 1 bus service licence. Such a company cannot be wound up voluntarily without the consent of the LTA, and a judicial management order under the Companies Act (Cap. 50) cannot be made in relation to the company. A person who wants to enforce any security over the company's property cannot take any step in that direction except where that person has served on the LTA 14 days' notice of the person's intention to take that step.

PART 4

LICENSING OF BUS DEPOT OR BUS INTERCHANGE OPERATORS

Clause 22 deals with unauthorised operation in Singapore of bus depots or bus interchanges. The clause makes it an offence for a person to operate in Singapore a bus depot or bus interchange unless the person is authorised by a bus depot licence to operate the bus depot or a bus interchange licence to operate the bus interchange, the person is exempt from the clause, or the person is the LTA. A subcontractor of either a holder of a bus depot licence or bus interchange licence or an exempt person may operate in Singapore the bus depot or bus interchange, as the case may be, without a bus depot licence or bus interchange licence.

Clause 23 deals with applications (which must be made to the LTA) for a bus depot licence or bus interchange licence.

Clause 24 provides for the granting of bus depot licences and bus interchange licences. In deciding whether an applicant should be granted a bus depot licence or bus interchange licence, and the conditions to impose or modify, the LTA has to have regard to, and give such weight as the LTA considers appropriate to, certain

matters. These are whether the applicant is or is not a holder of a Class 1 bus service licence, whether the applicant does not have (or is unlikely to have) the financial capacity and ability to operate and maintain an adequate, satisfactory, safe and efficient bus depot or bus interchange (as the case may be) at those premises, whether the premises are fit to be used as a bus depot or bus interchange, and whether it is otherwise contrary to the public interest for the bus depot licence or bus interchange licence (as the case may be) to be granted to the applicant.

The LTA can also look into whether the applicant and where necessary, whether every member of the board of directors or committee or board of trustees or other governing body of an applicant which is a company, limited liability partnership or other body corporate, or every partner of an applicant that is a partnership, is a suitable person to be involved in the management or operation of the bus depot or bus interchange in the application.

Suitability is to be determined having regard to the degree and nature of the person's proposed involvement in the public bus system in Singapore. The LTA must have regard to, and give such weight as the LTA considers appropriate to, certain matters, including the person's relevant knowledge, competency and experience and the person's compliance record with the legal framework for the bus industry.

The LTA is not confined to consideration of the matters specified in the clause, and may take into account such other matters and evidence as may be relevant.

Clause 25 deals with the validity and renewal of a bus depot licence or bus interchange licence. Every bus depot licence or bus interchange licence granted or renewed is to be valid for such period as is specified in the licence, unless it is earlier revoked or suspended under clause 39.

The LTA may, on application, renew a bus depot licence or bus interchange licence and with or without adding to, deleting from or varying conditions of the licence. However, the procedure in clause 27 for modifying licence conditions does not apply to or in relation to granting a renewal of a bus depot licence or bus interchange licence with additional, deleted or varied conditions of the licence.

Clause 26 provides for the conditions in a bus depot licence or bus interchange licence. These may include conditions relating to the extent, hours and general level of service at the bus depot or bus interchange, the maintenance and operation of the bus depot or bus interchange and any equipment therein, the security criteria for selecting persons engaged in any work, and the safety and security of persons using or at work, at the bus depot or bus interchange, and requirements that the licensee must itself deal with any plague or epidemic, fire, flood, earthquake or disaster (natural or otherwise) or any other public emergency.

The licence conditions may also cover the terms and conditions that the licensed bus depot operator or bus interchange operator can impose on the use of the bus

depot or bus interchange by its employees, agents, tenants and contractors, by licensed bus operators, or by members of the public.

For bus interchanges, the licence conditions may go further to require the licensed bus interchange operator to provide travel information systems and directional signs, and a limit on the fee that the licensed bus interchange operator may charge for the use of the bus interchange by bus operators.

Clause 27 provides the LTA with power to modify conditions in a bus depot licence or bus interchange licence during its validity and sets out the steps that must be followed when doing so.

Clause 28 is similar to clause 17 in that it places restriction on the transfer and surrender of a bus depot licence and bus interchange licence.

A bus depot licence and bus interchange licence, and any rights, benefits or privileges under the licence, is not transferable or assignable to any other person unless the licence contains a condition authorising the transfer or assignment, and the LTA consents in writing to the transfer or assignment. The LTA may give consent subject to compliance with such conditions as the LTA thinks fit to impose. These may include modifying the conditions of the licence, in which case the process in clause 27 must also be observed.

A transfer or an assignment, or purported transfer or assignment, of a bus depot licence or bus interchange licence, or of any rights, benefits or privileges under the bus depot licence or bus interchange licence, is void and of no effect if the licence is not capable of transfer or assignment, or if the transfer or assignment, or purported transfer or assignment, is in breach of a condition of the licence. It is also void if consent for the transfer or assignment is given by the LTA but, before the transfer or assignment or purported transfer or assignment, there had been a contravention of a condition subject to compliance with which the LTA's consent is given.

Finally, clause 28 also provides that every bus depot licence or bus interchange licence is not capable of being surrendered without the consent in writing of the LTA. Any surrender or purported surrender of a bus depot licence and bus interchange licence is void if it is without the LTA's consent.

PART 5

STEP-IN ARRANGEMENTS

This Part provides for step-in arrangements to ensure the continuity of services to be provided by licensees.

Clause 29 provides that Part 5 applies to Class 1 bus service licensees and licensed bus depot operators and bus interchange operators.

Clause 30 spells out when a step-in order may be made. Only the Minister can make a step-in order. The Minister's decision is final and cannot be appealed

against. A step-in order operates to the exclusion of rights that are inconsistent with the step-in order.

The Minister can make a step-in order with respect to a relevant licensee on receipt of written advice from the LTA of its opinion due to certain circumstances, that such an order is necessary to take over some or all of the operations of the relevant licensee to ensure that the licensee's customers receive an adequate provision of those services. Those circumstances are if —

- (a) the licence of a relevant licensee is suspended, revoked or surrendered; or
- (b) the public bus services contract to which a relevant licensee is party is terminated or suspended.

Before a step-in order is made under the clause, the Minister must give the relevant licensee concerned a reasonable opportunity to make submissions in respect of the proposed step-in order.

A step-in order can cover a wide range of matters to ensure continuity of services. A step-in order can authorise the LTA to directly take over, or to enter into an interim services contract with a step-in operator to take over, the operations of the relevant licensee concerned, or a specified part of those operations.

It can specify that the step-in operator has such functions and powers in relation to the operations of the relevant licensee concerned as are specified in the order, that the relevant licensee concerned is to stop operating a bus depot or bus interchange for, or providing regular route services to, specified customers on and from a specified date, or that the step-in operator be given access to, and take control of, the buses or premises or other assets and other property, including intellectual property, licences and employees, used or required by the relevant licensee for the purposes of carrying on the operations specified in the order.

A step-in order may appoint, or order the relevant licensee concerned to appoint, a person to advise the licensee in the proper conduct of its business. The step-in order may in this case fix the remuneration and expenses to be paid by a relevant licensee to any person appointed.

Clause 31 deals with special step-in arrangements where financial assistance is provided by the Government to a relevant licensee for the purpose of maintaining the reliability of the supply of services by the relevant licensee.

Clause 32 deals with interim services contracts, which LTA may enter into with any person if the LTA is satisfied that the contract is necessary to ensure the continuity of any regular route services or operation of a bus depot or bus interchange for the time being discontinued, to ensure the continuity of regular route services or the operation of a bus depot or bus interchange in an interim period, or to provide regular route services or the operation of a bus depot or bus interchange temporarily.

An interim services contract cannot be more than 12 months as decided by the LTA if the LTA entered into the interim services contract without inviting offers for the contract and in any other case, cannot be more than 2 years.

Clause 33 empowers the Minister to make rules to support step-in arrangements, and these rules may make provision for applying, omitting or modifying provisions of Part VIIIA of the Companies Act where a step-in order is made.

PART 6

ENFORCEMENT AND MONITORING COMPLIANCE

Clause 34 imposes certain duties on licensees to keep and furnish accounts and statements. The duties are imposed on public bus operators holding Class 1 bus service licence.

Clause 35 imposes duties also on public bus operators holding a Class 1 bus service licence and every subcontractors who provides bus services under an agreement with such a licensee to keep and retain records that are relevant to monitoring or evaluating the quality of an aspect of bus services.

Clause 36 confers on the LTA or an authorised officer power to obtain information from licensees and their subcontractors for the proper administration and enforcement of the Bill.

Clause 37 empowers the LTA to issue one or more codes of practice applicable to licensees or specified types of licensees, or approve as a code of practice applicable to licensees or specified types of licensees any document prepared by a person other than the LTA if the LTA considers the document as suitable for this purpose. The LTA is also empowered to amend or revoke any such code of practice issued or approved.

Codes of practice are not subsidiary legislation but non-compliance can give rise to regulatory action being taken under clause 39. Codes of practice can relate to various matters like the conduct of licensees, the measures necessary for licensees to deal with any plague, epidemic, fire, flood, earthquake or disaster (natural or otherwise) or any public emergency, competition, abuse of a dominant position in the market and fair market conduct in the bus service industry, and the management and operations of the different services.

Clause 38 empowers the LTA to give directions to licensees for or in respect of the extent, hours and general level of service, any matter affecting the interests of the public in connection with the service provided by the licensee, and other matters. A direction operates for a specific period. A direction is given to require the licensee concerned to do, or to refrain from doing, for a specified period, things specified in the direction or things that are of a description specified in the direction. The direction can be revoked at any time.

Non-compliance with a direction can give rise to regulatory action under clause 39.

Clause 39 sets out the various regulatory actions that the LTA can take against a licensee if the LTA is satisfied that the licensed operator is contravening or not complying with, or has contravened or failed to comply with any of the conditions of its licence or any code of practice applicable to the licensed operator, or any provision of the Bill applicable to the licensed operator, whether or not the licensed operator has been convicted of an offence for the contravention or non-compliance. There are also other grounds on which the LTA may take regulatory action against licensees.

The LTA may in serious cases, after observing the prescribed process in the clause, revoke a licence. In lieu of revoking the licence, the LTA can impose one or more of the following:

- (a) issue of a letter of censure;
- (b) add, delete or modify a condition of a licence;
- (c) require the furnishing of a performance bond, guarantee or other form of security or forfeiting the whole or part of any performance bond, guarantee or other form of security already provided;
- (d) direct the licensee to do, or to refrain from doing, such things as are specified in a direction;
- (e) suspend (for not more than 6 months) of the licence without any compensation;
- (f) direct the licensee to pay a financial penalty.

Clause 40 empowers the LTA or an authorised officer to compound any offence under the Bill which is prescribed as a compoundable offence. The maximum composition sum that may be collected from the person reasonably suspected of having committed the compoundable offence is one half of the amount of the maximum fine that is prescribed for the offence or \$5,000, whichever is the lower.

PART 7

APPEALS

Clause 41 prescribes an avenue of appeal to the Minister against certain decisions of the LTA under the Bill.

Clause 42 allows the Minister to delegate the hearing of appeals to a Minister of State or Parliamentary Secretary in his or her Ministry.

PART 8

MISCELLANEOUS

Clause 43 empowers the LTA to appoint authorised officers from among its officers and employees to administer and enforce the Bill. The LTA may delegate the exercise of all or any of the powers conferred or duties imposed upon the LTA by any provision of the Bill. However, the LTA cannot delegate its power of delegation conferred by the clause; this is to prevent sub-delegation.

Clause 44 provides for the liability of officers of offenders who are corporations or unincorporated bodies.

Clause 45 deals with the service of documents permitted or required by the Bill to be served on a person. The clause does not deal with service of court documents like summonses, as these are regulated by the Rules of Court or other written laws.

Clause 46 confers on the Minister to disapply all or any provision in the Bill to any person or class of persons. The Minister can do this by an exemption order published in the *Gazette*.

Clause 47 confers on a District Court jurisdiction to try any offence under the Bill and to punish accordingly despite any limits set under other written law like the Criminal Procedure Code (Cap. 68).

Clause 48 provides that no compensation is payable by the LTA to any person in respect of, or as a consequence of, any decision of the LTA under the Bill to enter into or not to enter into a public bus services contract with anyone, not to renew a public bus services contract, or to suspend or terminate a public bus services contract.

Clause 49 confers on the LTA power to make regulations to give effect to the Bill, subject to the approval of the Minister. These regulations must be presented to Parliament as soon as possible after publication in the *Gazette*.

Clause 50 makes a consequential amendment to the Third Schedule to the Competition Act (Cap. 50B).

Clause 51 makes a consequential amendment to section 2 of the Energy Conservation Act (Cap. 92C) to replace the reference in the definition of “land transport operator” to a bus service operator’s licence granted under the Public Transport Council Act with the nomenclature used in the Bill, that is, a Class 1 bus service licence.

Clause 52 makes consequential amendments to the Land Transport Authority of Singapore Act (Cap. 158A) to replace the references to “bus service licence”, “bus service operator” and “bus service operator’s licence” with the terminology used in the Bill. An amendment is also made to section 6 of that Act to make it clear that the LTA is the operator of bus services, bus depots or bus interchanges if for any reason

there is no licensee to do so. This is similar to section 21 of the Rapid Transit Systems Act (Cap. 263A) with regard to operation of rapid transit systems.

Clause 53 makes consequential amendments to the Public Transport Council Act, in particular repealing Parts IV and IVA on bus service licences and bus service operator's licences as the licensing function in these matters is to be transferred to and assumed by the LTA under the Bill. Amendments are also made to sections 22A, 22C, 22D, 22E, 22F, 22H and 22I, respectively, of the Public Transport Council Act to remove the references to licensing of bus services and bus service operators and to align the expressions in those sections with those used in the Bill. Section 25A of the Public Transport Council Act is also replaced as a consequence of the PTC ceasing to regulate bus services and bus service operators.

Clause 54 makes consequential amendments to the Road Traffic Act, in particular repealing Part VB on licences to operate bus depots and bus interchanges as the licensing regime is transferred to the Bill. References in section 127B of the Road Traffic Act to "bus service operator" are also replaced with the expression "bus operator holding a Class 1 bus service licence" so as to be aligned with those in the Bill.

Clause 55 and the Schedule contain saving and transitional provisions. When the Bill comes into force, the Bill will apply to subsisting bus service licences and bus service operator's licences granted by the PTC, and subsisting bus depot licences and bus interchange licences granted by the LTA under the Road Traffic Act, subject to the modifications in the Schedule. Generally, subsisting licensees are not subject to requirements in the Bill that are not prescribed under the Public Transport Council Act or Part VB of the Road Traffic Act.

EXPENDITURE OF PUBLIC MONEY

This Bill will involve the Government in extra financial expenditure, the exact amount of which cannot at present be ascertained.
