

PRESS RELEASE

Issuance of Correction Direction under the Protection from Online Falsehoods and Manipulation Act to Kenneth Jeyaretnam

1. On 27 July 2023, Mr Kenneth Jeyaretnam published posts on his Facebook page and LinkedIn account which made an untrue statement that the Singapore Land Authority (SLA) charged Minister K Shanmugam and Minister Vivian Balakrishnan rent at below market value for 26 Ridout Road and 31 Ridout Road.
2. The Minister for Culture, Community and Youth and Second Minister for Law Edwin Tong has instructed for a Correction Direction, under the Protection from Online Falsehoods and Manipulation Act (POFMA), to be issued to Mr Kenneth Jeyaretnam in respect of his posts. Mr Kenneth Jeyaretnam will be required to carry the correction notices, stating that the Facebook and LinkedIn posts contain a false statement of fact.

Clarifications on the False Statement

3. As established in the review conducted by Senior Minister Teo Chee Hean, the rental paid by both Ministers were at fair market value and not below market valuation. There was no evidence that the Ministers were given favourable rental rates due to their positions.
4. The rental paid by the Ministers for both 26 Ridout Road and 31 Ridout Road were not less than the respective Guide Rents for the properties. A Guide Rent must be calculated for all State properties available for rent and is the key mechanism through which SLA ensures that State properties are rented out at fair market value. The Guide Rents are determined by professional valuers. These are valuers from SLA's independent valuation team or valuers appointed by professional third-party Managing Agents. Valuers adhere to established principles and methods for valuation. In determining the Guide Rents, the valuers take into account factors such as location, use, floor area, physical condition of the property and prevailing market conditions are taken into consideration. In general, reference is made to rentals of comparable properties.
5. For 26 Ridout Road, a professional valuer from SLA determined the Guide Rent for the site, including the adjacent land to the site ("**Adjacent Land**"). The SLA valuer did not know the identity of the prospective tenant for 26 Ridout Road at the material time, and only learnt that the tenant was Minister Shanmugam after the matter was reported in the media. The market practice is for the rental valuation of such residential properties to be based primarily on the Gross Floor Area of the property, and the valuation of the rental

in respect of 26 Ridout Road followed established market practice. The rent per unit floor area for 26 Ridout Road was the third highest, when compared to that of the other nine Black and White bungalows in the Ridout Road Estate which were tenanted out in 2018.

6. As Minister Shanmugam had stated in his interview with the Corrupt Practices Investigation Bureau (CPIB) and explained in Parliament, he had not wanted to lease the Adjacent Land as there would be legal obligations attached to leasing it. However, SLA's preference was to include the Adjacent Land within the property boundary of 26 Ridout Road. That would make it clear that the responsibility for maintaining the Adjacent Land would fall on the tenant, as would the legal obligations, for example, the tenant would be responsible for any mosquito breeding. SLA thus negotiated an agreement in which the Adjacent Land would be included within the property boundary, with the tenant responsible for maintaining it. For completeness, Minister Shanmugam incurred the cost of maintaining the Adjacent Land, which would otherwise be borne by SLA.

Publication of Correction Notices

7. As required by the Correction Direction, Mr Kenneth Jeyaretnam must publish correction notices on the said posts on his Facebook page and LinkedIn account. The correction notices will provide a link to the Factually article, which lays out the facts and clarifications on the matter, at the following link: <https://www.gov.sg/article/factually020823>.

MINISTRY OF LAW
02 AUGUST 2023