IN THE GENERAL DIVISION OF
THE HIGH COURT OF THE REPUBLIC OF SINGAPORE

[2023] SGHC 118

Registrar's Appeal (State Courts) No 3 of 2023

Between

Tan Chee Heong

… *Appellant*

And

Chen Hua

… *Respondent*

In the matter of District Court Suit No 2808 of 2020

Between

Chen Hua

… *Plaintiff*

And

Tan Chee Heong

… *Defendant*

JUDGMENT

[Statutory Interpretation — Construction of statute — Purposive approach]

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v
Chen Hua

[2023] SGHC 118

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Hri Kumar Nair J
24 April 2023

4 May 2023 Judgment reserved.

Hri Kumar Nair J:

Introduction

1 This appeal turns on an issue of law: what is the limit of damages the District Court (the "**DC**") can award where a claimant decides under s 22 of the State Courts Act to abandon the excess of their amount claimed beyond the DC jurisdiction limit of $250,000 (the "**DC Limit**"), and is found to be contributorily negligent?

Facts

2 The respondent commenced an action in the DC against the appellant for injuries he sustained in a motor vehicle accident. Interlocutory judgment was entered for the respondent for 80% of the damages to be assessed – the 20% reduction was on account of the respondent's contributory negligence.

Thereafter, the respondent filed a request for a hearing for assessment of damages and quantified his claim at $734,168.31.

3 The deputy registrar hearing the assessment held that (a) for the DC to have jurisdiction to hear the matter, the respondent was required under s 22 of the State Courts Act to re-quantify his claim within the DC Limit; and (b) the reduction in damages on account of the respondent's contributory negligence would be applied against the respondent's re-quantified claim (the "**Registrar's Decision**").

4 The respondent appealed. The district judge (the "**DJ**") reversed the Registrar's Decision, deciding that (a) the respondent was not required to re-quantify his claim; all that was required was that the respondent record in writing that he would abandon the amount of his claim beyond the DC Limit; and (b) any reduction in damages on account of the respondent's contributory negligence should be from the quantum of damages assessed, not the re-quantified claim (the "**DJ's Decision**").

5 The appellant appealed the DJ's Decision.

Issues to be determined

6 The appeal turns on the interpretation of s 22 of the State Courts Act, namely whether:

(a) the phrase "abandon the excess amount" means a claimant is required to amend their pleadings or to re-quantify their claim to a sum not exceeding the DC Limit to bring it before the DC; and

(b) where there is a reduction of the claim by reason of the claimant's contributory negligence, whether that reduction is applied

against (i) the actual damages assessed; or (ii) the re-quantified claim at or below the DC Limit.

7 I note that the Court of Appeal in *Keppel Singmarine Dockyard Pte Ltd v Ng Chan Teng* [2008] 2 SLR(R) 839 ("***Keppel***") decided that the reduction in damages on account of the claimant's contributory negligence should be applied against the actual damages assessed and not the DC Limit. However, counsel for the appellant highlighted that the decision in *Keppel* turned on the predecessor legislation to the State Courts Act which has since been repealed and, in any event, did not deal with the issue of a claimant abandoning the excess amount of their claim. I address *Keppel* below at [58]–[64].

8 It also appears that there is some uncertainty in the law: at least one decision in the State Courts did not follow *Keppel* and adopted an approach similar to the Registrar's Decision, and I was informed by both counsel for the parties that several cases in the State Courts have been put on hold pending the outcome of this appeal.

The Relevant Provisions

9 I reproduce the relevant sections of the State Courts Act (Cap 321, 2007 Rev Ed) below, effective at the date of the commencement of this action (*ie*, 30 November 2020):

> **Interpretation**
>
> …
>
> "District Court limit" means $250,000 or such other amount as may be specified by an order under section 30;
>
> …
>
> **General civil jurisdiction**
>
> …

[19](4) ***Subject to sections 22 and 23***, a District Court's jurisdiction under subsection (2) shall not include jurisdiction to hear and try any action where —

(a) the ***amount claimed*** in the action exceeds the District Court limit; or

(b) any remedy or relief sought in the action is in respect of a subject-matter the value of which exceeds the District Court limit.

…

Abandonment of part of claim to give District Court jurisdiction

22.—(1) Where the ***amount claimed*** in an action exceeds the District Court limit, or any remedy or relief sought in an action is in respect of a subject-matter the value of which exceeds the District Court limit, and a District Court would have jurisdiction under section 19(2) to hear and try the action if the amount or value, as the case may be, did not exceed the District Court limit, the plaintiff may ***abandon the excess amount*** or that remedy or relief, as the case may be, and thereupon a District Court shall have jurisdiction under section 19(2) to hear and try the action, provided that the plaintiff —

(a) shall not recover in the action an amount exceeding the District Court limit; and

(b) shall not obtain in the action any remedy or relief in respect of a subject-matter the value of which exceeds the District Court limit.

(2) Where a District Court has jurisdiction to hear and try an action by virtue of this section, the judgment of the court in the action shall be in full discharge of all demands in respect of the cause of action.

Jurisdiction by agreement in certain actions

23. Where the parties to an action agree, by a memorandum signed by them or their respective solicitors, a District Court has jurisdiction under section 19(2) to hear and try the action even though —

(a) the amount claimed in the action exceeds the District Court limit; or

(b) any remedy or relief sought in the action is in respect of a subject matter the value of which exceeds the District Court limit.

[emphasis added in bold italics]

10 In their submissions, the parties referred to the State Courts Act 1970 (2020 Rev Ed) (the "**SCA**"), which was effective as of 1 April 2022.[1] I reproduce s 22 SCA below:

> **Abandonment of part of claim to give District Court jurisdiction**
>
> 22.—(1) Where —
>
> *(a)* the amount claimed in an action exceeds the District Court limit, or any remedy or relief sought in an action is in respect of a subject matter the value of which exceeds the District Court limit; and
>
> *(b)* a District Court would have jurisdiction under section 19(2) to hear and try the action if the amount or value *(*as the case may be*)* did not exceed the District Court limit,
>
> the *claimant* may abandon the excess amount or that remedy or relief, as the case may be, and thereupon a District Court *has* jurisdiction under section 19(2) to hear and try the action, *except that the claimant cannot in that action* —
>
> (c) *recover* an amount exceeding the District Court limit; and
>
> (d) *obtain* any remedy or relief in respect of *the subject matter* the value of which exceeds the District Court limit.
>
> (2) Where a District Court has jurisdiction to hear and try an action by virtue of this section, the judgment of the court in the action is a full discharge of all demands in respect of the cause of action.
>
> [differences with the earlier version in italics]

11 The differences between the two versions of s 22 SCA are not material, and do not affect the parties' submissions, nor my decision below. For convenience, I shall refer to the version currently in force, *ie*, at [10].

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[1] Appellant's Written Submissions at para 24; Respondent's Written Submissions at para 32.

12 Section 19(4) SCA provides that the DC has no jurisdiction to hear and try any action where the amount claimed exceeds $250,000. It is clear and undisputed that if a claimant files a claim where the quantified claim exceeds the DC Limit, the DC does not have the jurisdiction under s 19(2) SCA to hear and try the action in light of s 19(4) SCA.

13 But s 19(4) SCA is expressly made *subject to* ss 22 and 23 SCA. These provisions enable the DC to hear and try an action although the amount claimed is above the DC Limit in two specific scenarios:

(a) where the claimant abandons the excess amount and cannot thereby recover an amount exceeding the DC Limit – s 22 SCA; and

(b) where the parties agree in writing that the DC may hear and try an action for damages which exceeds the DC Limit – s 23 SCA. This appeal is not concerned with this scenario.

14 It is evident that to "abandon the excess amount" under s 22 SCA is a choice to be made by a claimant if they wish the DC to hear and try the action. The parties advance two different interpretations of how s 22 SCA is intended to operate and the consequences of the claimant making that choice:

(a) The appellant argues that the claimant must amend or re-quantify their claim to a sum not exceeding the DC Limit before the DC has jurisdiction to hear the action; the consequence is that where the DC determines that the damages should be reduced (on account of contributory negligence by the claimant or otherwise), that reduction must be applied against the amended or re-quantified sum (the "**Reduced Claim Interpretation**"); or

(b) The respondent argues that the DC may hear the action so long as the claimant confirms that he will abandon any sum awarded exceeding the DC Limit and the claim need not be amended or re-quantified; the consequence is that where the DC determines that damages should be reduced (on account of contributory negligence or otherwise), that reduction is applied against the damages as assessed, provided that the DC cannot award a sum more than $250,000 (the "**Reduced Award Interpretation**").

15 It will be immediately appreciated that the interpretation adopted can have significant impact on the damages awarded: for example, in a case where the claimant is assessed by the court to have suffered damages in the amount of $600,000 and is found to be 50% contributorily negligent:

(a) under the Reduced Claim Interpretation**,** the claimant amends his claim to one for $250,000, and is then awarded damages in the sum of *$125,000* by reason of his contributory negligence; and

(b) under the Reduced Award Interpretation, the claimant maintains his claim at $600,000, which is reduced to $300,000 by reason of his contributory negligence. The DC then awards him a sum of *$250,000* as the claimant has abandoned the excess over the DC Limit.

16 I find in favour of the Reduced Award Interpretation.

17 I approach the issue by applying the principles of statutory interpretation set out by the Court of Appeal in *Tan Cheng Bock v Attorney-General* [2017] 2 SLR 850 ("***Tan Cheng Bock**")*.

First step: ordinary meaning of s 22 SCA

18 The first step in *Tan Cheng Bock* requires me to ascertain possible interpretations of the provision by determining the ordinary meaning of the words of the legislative provision, whilst guided by logic and common sense (*Tan Cheng Bock* at [38]). Section 22 SCA does not prescribe *how* the claimant must abandon the excess amount. However, I note the following.

19 First, as stated above (at [13]), s 22 SCA is drafted as an exception to the DC Limit in s 19(4) SCA, *ie*, it deals with cases where the claimant *expressly* brings a claim exceeding the DC Limit. If a claimant is required to amend his pleadings or re-quantify the amount claimed to one below the DC Limit, the action will then necessarily fall within s 19(4) SCA, thus (a) there will be no need to make s 19(4) SCA "subject to" s 22 SCA; and (b) effectively rendering s 22 SCA redundant. It is trite that an interpretation which renders a provision redundant should be rejected. The Court of Appeal in *Tan Cheng Bock* highlighted that:

> Parliament shuns tautology and does not legislate in vain; the court should therefore endeavour to give significance to every word in an enactment (see *JD Ltd v Comptroller of Income Tax* [2006] 1 SLR 484 at [43]).

The appellant's counsel disagreed that s 22 SCA would be rendered nugatory on the Reduced Claim Interpretation; he argued it provides a "way out to a claimant" who brings a claim above the DC Limit but wishes for it to be heard in the DC. This misses the point: if "abandon[ing] the excess" requires the claim to be amended such that it does not exceed the DC Limit, the claim would fall within the DC's jurisdiction set out in s 19(4) SCA, in which case it is not necessary at all for s 22 SCA to provide a "way out".

20 Second, the appellant's argument also renders redundant ss 22(1)(c) and 22(1)(d) SCA: as a claimant cannot, as a matter of law, be awarded more than what he has pleaded, it would not be necessary to provide that he cannot recover an amount exceeding the DC Limit.[2] Put another way, on the Reduced Claim Interpretation, the award would never exceed the DC Limit, thus making ss 22(1)(c) and 22(1)(d) SCA unnecessary. The better and more logical interpretation is that while ss 22(1)(a) and 22(1)(b) SCA deal with the DC's *jurisdiction* to hear and try the action, ss 22(1)(c) and 22(1)(d) SCA then deal with the DC's *power* to make an award of damages or other relief.

21 Third, s 22 SCA does not expressly require that a claimant amend his pleadings or re-quantify his claim to a sum not exceeding $250,000. This is significant: if a claimant is required to plead a sum not exceeding $250,000, it would have been simple for Parliament to enact clear words to that effect, especially in light of (a) the importance of pleadings in our system of civil litigation (*V Nithia (co-administratrix of the estate of Ponnusamy Sivapakiam, deceased) v Buthmanaban s/o Vaithilingam and another* [2015] 5 SLR 1422 at [34]–[38]); and (b) the significant impact such an amendment would have on the amount of damages the claimant would receive – see [15] above. If Parliament intended to deprive a claimant of damages he would otherwise be entitled to in law, clear words would be necessary.

Distinction between jurisdiction and power

22 The appellant argues that s 19(4) SCA goes to the issue of the *jurisdiction* of the DC, while s 22 SCA involves the exercise of the DC's *power* to make an award.[3] The issue of a court's jurisdiction is logically precedent to

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2 Respondent's Written Submissions at para 42.

3 Appellant's Written Submissions at paras 15–17.

its powers[4] and is "so fundamental that it cannot be cured by consent of the parties",[5] therefore, the DC cannot hear any action where the amount in dispute exceeds the DC Limit.[6] On that basis, the appellant argues that the DC would have to consider the issue of jurisdiction at the outset and would only be able to hear and try an action if the "amount claimed" did not exceed the DC Limit or where the claimant had declared he will abandon any amount in excess of the DC Limit. This means that "the abandonment would have to take place before any contributory negligence is even determined by the by the Court".[7] On that basis, the appellant argues that any reduction for contributory negligence must be made *from* the DC Limit and therefore that the Reduced Claim Interpretation is correct.

23 I do not accept this argument. As the respondent rightly notes,[8] *both* ss 19(4) and 22 SCA address the jurisdiction of the DC to hear and try an action. Indeed, that is expressly reflected in the title to s 22 SCA itself – "Abandonment of part of claim *to give District Court jurisdiction*" [emphasis added] – as well as s 22(2) SCA, which begins with the phrase "Where a District Court *has jurisdiction* to hear and try an action *by virtue of this section*" [emphasis added]. In other words, under s 22 SCA, the DC has the jurisdiction to hear and try an action where the amount claimed exceeds the DC Limit, *and* the claimant chooses to abandon the excess amount. I agree that the claimant must give notice of that abandonment before the DC deals with the assessment of damages so that the DC's jurisdiction to hear and try the action is engaged, but there is

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4 Appellant's Written Submissions at para 72.

5 Appellant's Written Submissions at para 79.

6 Appellant's Written Submissions at para 23.

7 Appellant's Written Submissions at para 32.

8 Respondent's Written Submissions at para 32.

no reason why the claimant must necessarily amend or re-quantify their claim. As noted earlier, s 22 SCA makes clear that that the DC does not have the power to award damages exceeding the DC Limit. This ensures that the DC's jurisdiction is not exceeded.

24 In the circumstances, all that s 22 SCA contemplates is that the claimant must inform the Court that they are not seeking an award exceeding the DC Limit. The DC will then have the jurisdiction to hear and try the action. It follows that the DC will assess the damages based the claim(s) as pleaded, apply any reduction for contributory negligence (or set-off) against the amount assessed and will ultimately not award an amount exceeding the DC Limit. This supports the Reduced Award Interpretation.

25 There are several other arguments supporting the Reduced Award Interpretation, which I deal with below.

Distinction between assessment and award of damages

26 The Reduced Award Interpretation better preserves the distinction between an *assessment* of damages and the *award* of damages.

27 The principal reason for a claimant bringing an action must not be forgotten – it is to obtain compensation for a civil wrong done to them. The damages assessed is what a court determines is reasonable and appropriate to compensate a claimant for the harm suffered by them on account of the defendant's conduct: the Court of Appeal in *Chartered Electronics Industries Pte Ltd v Comtech IT Pte Ltd* [1998] 2 SLR(R) 1010 stated at [16] that:

> The object of an award of damages is to give the plaintiff compensation for the damage he has suffered. The locus classicus in resolving a problem as to the measure of damages can be found in Lord Blackburn's seminal statement in

> *Livingstone v Rawyards Coal Company* (1880) 5 App Cas 25 where his Lordship defined the measure of damages at 39 as:
>
> that sum of money which will put the party who has been injured, or who has suffered, in the same position as he would have been in if he had not sustained the wrong for which he is now getting his compensation or reparation.

Such assessment turns on established rules and principles, including matters of foreseeability, remoteness, contributory negligence and duty to mitigate. The claimant is entitled to the full compensation in law. By suing in the DC, all that the claimant accepts is that they cannot recover more than the DC Limit, even though they may have suffered higher damages. That accords with the Reduced Award Interpretation. There is no principled reason to *further* deny the claimant the compensation they are entitled to in the manner the Reduced Claim Interpretation compels. In effect, the damages claimed are reduced twice – to put it in layman's terms, the claimant suffers a "double whammy". Such a reduction is arbitrary and unfair. This problem is further exacerbated by the fact that the quantum of the reduction can be substantial: as illustrated by the example at [15] above. Parliament could not have intended such a result.

28 The appellant's counsel submitted that this is not prejudicial but rather "a consequence of [the claimant's] contributory negligence" which they must "accept… will flow". This argument is circular: the claimant would only have to accept the further reduction in the award of damages *if* the Reduced Claim Interpretation applies. It does not address *why* such further reduction is principled or desirable.

Deciding the appropriate court in which to commence an action

29 The Reduced Award Interpretation allows a claimant to make a considered decision as to where to bring their claim. A claimant would know that by bringing their claim in the DC – regardless of the quantum of the claim

and apportionment of contributory negligence thereafter – there will be an upper limit of $250,000 to the award. In contrast, the Reduced Award Interpretation creates uncertainty for a claimant as the upper limit will only be known *after* the DC determines the extent of the claimant's contributory negligence. The only way for a claimant to avoid this would be to commence their action in the High Court. This increases costs for both parties and is not a wise or appropriate use of judicial resources.

30 The appellant argues that under the Reduced Award Interpretation, a claimant will be uncertain as to which court they should bring their claim in, because, at the commencement of a claim, the issue of liability has yet to be determined. As such, he argues that the Reduced Claim Interpretation is preferable as the DC Limit restricts the amount claimed on a "100% basis", *ie*, without considering a reduction for contributory negligence.[9] Further, any reduction on account of the claimant's contributory negligence is reduced from the DC Limit, rather than some other unspecified sum, which, he contends, also promotes certainty.

31 I do not accept this argument. Claimants routinely assess their prospects of success before suing, both on the issue of liability and quantum. On damages, claimants (and their lawyers) must assess if they are likely to receive more than the DC Limit and weigh the costs and benefits of bringing the action in the High Court or the DC. The Reduced Award Interpretation does not require an approach to litigation that is novel, uncertain or unprincipled. On the contrary, for the reasons given above (at [27]), there is no principled justification to prejudice a claimant by further reducing the damages he can receive simply because he decides to sue in the DC to reduce his costs.

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9 Appellant's Written Submissions at paras 54, 62 and 63.

32 The appellant's counsel further argued that the Reduced Claim Interpretation addresses uncertainty for *defendants*, since, by knowing that their exposure is under the DC Limit, they can decide on the "course [they] should take to limit [their] exposure", namely, whether "to take it for full-blown hearing or make [an] offer close to [the DC Limit] and resolve it".

33 This is problematic for two reasons. First, as noted above, s 22 SCA requires the *claimant* to decide whether they want to abandon the excess amount to give jurisdiction to the DC to hear and try the action. An interpretation which removes or reduces the uncertainty *for the claimant*, and allow them to make a considered choice, should therefore be preferred. Second, even on the Reduced Award Interpretation, there is nothing to prevent defendants from assessing the likely award of damages and making a suitable offer. Put another way, the uncertainty faced by defendants, as explained by the appellant's counsel, amounts to no more than what any defendant faces in responding to a claim filed against them. Indeed, in this case, the defendant will at least know that the claimant cannot recover more than the DC Limit.

Approach to cases with multiple heads of damages

34 The appellant highlights that an advantage of the Reduced Claim Interpretation is the simplicity achieved by limiting the sum claimed to the DC Limit, which is especially important where claims are not homogenous and attract different rates of pre-judgment interest.[10] The appellant submits that "abandonment" of the claim imposes a positive duty on a claimant to hive off the amount in excess of the DC Limit by stating the head(s) of claim that the claimant is abandoning in order to ensure their claim remains within the DC

[10] Appellant's Written Submissions at para 28.

Limit.[11] He added at the hearing that re-quantification of the claim should be done by amending the pleadings so that parties avoid addressing unnecessary issues, and it is clear which itemized heads are and are not being claimed; in addition, it would allow a claimant some flexibility in deciding what evidence to adduce. This also gives the defendant necessary notice of the claim(s) they are required to meet and promotes fairness and certainty.[12]

35 The respondent argues that the concerns about multiple heads of damages and different rates of interest are not insurmountable, since the Court can pro-rate each head of damages, which was the approach taken in *Vellaikkannu Ramamoorthy v Zakaria bin Wahid* [2022] SGDC 252.[13]

36 I agree with the respondent that the amount awarded to each head of damages can be pro-rated such that the total amount awarded will not exceed the DC Limit. This involves a simple mathematical calculation.

37 Nothing has been placed before me to explain the legal or logical basis for compelling a claimant to abandon distinct heads of damages to bring the action below the DC Limit. Indeed, the appellant's argument only underscores the unfairness of the Reduced Claim Interpretation. The Claimant cannot be sure which heads of damages he will ultimately succeed on. If he is compelled to give up heads of damages which he could have succeeded on and retains those on which the DC ultimately rules against him, he would be deprived of damages he should have rightfully received. A claimant's desire for their action to be heard by the DC should not also be regarded as a willingness to sacrifice a full

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11 Appellant's Written Submissions at paras 28 and 29.

12 Appellant's Written Submissions at para 28.

13 Respondent's Written Submissions at paras 48–54.

and proper assessment of their claim and damages. Again, the only way for the claimant to avoid this dilemma is to sue in the High Court, which is not an appropriate solution. The defendant also cannot complain that they do not know the case they have to meet as all the claimant's heads of damages must be pleaded and supported by evidence. On the appellant's point of avoiding unnecessary issues, the simple response is that unmeritorious claims brought by the claimant can be met with an appropriate order for costs.

Differentiated treatment of claims based on whether a claim is bifurcated

38 The appellant argues that the Reduced Award Interpretation will result in different treatment of cases (a) where the issue of liability and damages are bifurcated; and (b) where they are heard together. He argues that the Reduced Award Interpretation would mean that the DC can hear the former although the claimant is seeking more than $250,000 so long as the issue of liability has not been resolved, but the DC cannot hear the latter.[14]

39 To support his point, the appellant gives the following example of an "absurd and inequitable consequence": if a claimant files a negligence claim in the DC and assesses their quantum prior to the trial at more than $250,000, a DC will not be able to hear their case unless the claimant abandons the amount in excess of $250,000; however, if the claimant proceeds to resolve liability first and is adjudged to be 50% contributorily negligent, they should not be allowed to claim an amount exceeding $250,000 as "that would be tantamount to a court hearing and trying a case where the amount is beyond its jurisdiction".[15] He argues that the same consequences should apply to a claimant where liability in their case has been resolved and the only outstanding issue is the assessment of

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14 Appellant's Written Submissions at para 50.

15 Appellant's Written Submissions at paras 50–53.

damages. Otherwise, a claimant will be able to "game" the system by making an unfettered claim for damages up to the DC Limit notwithstanding any contributory negligence on their part.[16]

40 I do not accept the argument. Bifurcation is a procedural issue which should not, of itself, affect the quantum of damages assessed to be due to a claimant. As stated above, the assessment of damages turns on rules and principles governing that issue. The sum ultimately awarded, however, is a matter of the court's jurisdiction. In other words, it does not matter whether the claimant abandons the excess at the outset or after liability or contributory negligence is established – if the case is heard by the DC, the amount of damages will be assessed applying the same principles and the award cannot exceed the DC Limit. This is another reason to prefer the Reduced Award Interpretation since it ensures that a claimant's decision to bring an action before the DC pursuant to s 22 SCA does not impinge on the court's assessment of the claimant's damages.

41 Further, the distinction the appellant makes does not arise on the Reduced Award Interpretation. Where the amount clamed is more than the DC Limit, or is unquantified and left to be assessed, the DC will have jurisdiction to hear the matter so long as the claimant agrees to abandon the amount exceeding the DC Limit under s 22 SCA. In both cases, the DC will assess the actual damage suffered, apply the reduction for contributory negligence to that assessed figure, and award a sum not exceeding the DC Limit. The appellant's argument highlights the benefit of the Reduced Award Interpretation: any reduction on account of a claimant's contributory negligence is deducted from

16 Appellant's Written Submissions at para 54.

the sum assessed rather than the DC Limit, so there is no issue of different outcomes in bifurcated and non-bifurcated cases.

42 The appellant argues that the Reduced Award Interpretation may encourage "gam[ing]": where a claimant does not quantify their claim, asks for liability to be determined, and then applies to transfer the case to the High Court if they receive a favourable result. But as the Court of Appeal noted at [32] of *Keppel*, there is nothing inherently wrong with this. The Court of Appeal highlighted that a decision concerning the amount of a claim should not be treated as irrevocable where there is a change in circumstances which constitutes a sufficient reason justifying a transfer of proceedings. Where the law permits a claimant to have their claim assessed to its full extent in the proper court, a defendant can raise no complaint of prejudice. The Court of Appeal made clear that an application to transfer would be refused if it unfairly prejudiced the defendant, such as where liability had been settled based on an express agreement that the matter be dealt with entirely in the District Court.

Second step: legislative purpose of s 22 SCA

43 The second step requires me to determine the legislative purpose of the relevant provision (*Tan Cheng Bock* at [39]). The Court of Appeal in *Tan Cheng Bock* expressed a preference for internal sources, *ie*, the relevant legislative provision itself and its statutory context, first, before considering extraneous material (*Tan Cheng Bock* at [43]). Thereafter, the possible interpretations of the provision in question are compared against the legislative purpose of the provision (*Tan Cheng Bock* at [54(c)]) to determine the meaning of the provision. I deal with both categories of sources in that order below.

Ascertaining purpose from the text and statutory context of s 22 SCA

44 The Court of Appeal in *Tan Cheng Bock* offered the following guidance on deriving the legislative purpose of a particular provision from the text of the provision (*Tan Cheng Bock* at [44]):

> [T]he words of the legislative provision in question will clearly be of critical importance… if a provision is well-drafted, its purpose will emanate from its words… other legislative provisions within the statute may be referred to, so far as they are relevant to ascertaining what Parliament was seeking to achieve and how. In particular, the structure of the statute as a whole and the location of the provision in question within the statute may be relevant considerations.

45 I make the following observations.

46 First, s 22 SCA is clearly intended to enlarge the DC's jurisdiction, namely, to allow the DC to hear and try cases beyond the DC Limit. This purpose is evident from the text of the statute, given that s 22 SCA is expressed as an exception to s 19(4) SCA, which limits the DC's jurisdiction to actions where the amount claim is within the DC Limit. The same rationale applies to s 23 SCA, which provides that the DC may hear actions for damages beyond the DC Limit where the parties agree in writing.

47 Second, the reason for enlarging the DC's jurisdiction is obvious – it is to allow and encourage parties to bring their claims before the DC, and thereby benefit from the lower costs and faster disposal of cases there. This will be particularly useful where the complexity or importance of the dispute may not warrant bringing the action to the High Court or where the damages likely to be awarded may not be significantly above the DC Limit to justify the increased costs.

48 The Reduced Award Interpretation promotes these purposes. For the reasons above, the Reduced Claim Interpretation does not enlarge the DC's jurisdiction or increase the number of actions the DC may hear. Further, the "double whammy" effect discussed at [27] above would undoubtedly cause some claimants to eschew bringing their claims to the DC. This has other undesirable implications. A claimant may have a claim which exceeds the DC Limit but believes or is advised that the court is likely to award him a sum less than the DC Limit on account of their contributory negligence or some other reason. In those circumstances, it would be sensible for them to bring the claim before the DC and benefit from the lower costs. However, the Reduced Claim Interpretation would compel them to bring the action in the High Court instead. In other words, it achieves the very opposite of the intended purpose of s 22 SCA.

Ascertaining purpose from extraneous materials

49 The next source from which the court may draw to discern the purpose of s 22 SCA is material not forming part of the statute (*Tan Cheng Bock* at [42]), *ie*, extraneous material. The Court of Appeal took pains to emphasize that the ordinary meaning of the statute should still be accorded primacy:

> 45 … s 9A(4) of the [Interpretation Act (Cap 1, 2002 Rev Ed)] expressly directs that when deciding whether any extraneous material should be referred to and/or what weight should be given to such material, consideration must be given to the desirability of persons being able to rely on the ordinary meaning conveyed by the text and to the need to avoid prolonging legal proceedings
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> …
>
> 50 It also bears mentioning that extraneous material cannot be used "to give the statute a sense which is contrary to

> its express text" (*Seow Wei Sin v PP* [2011] 1 SLR 1199 at [21]) save perhaps in the very limited circumstances…

50 Keeping this in mind, I turn to the extraneous material put before me by the parties.

Parliamentary debates on the Subordinate Courts Bill and subsequent amendments

51 In 1970, the Subordinate Courts Act (Act 19 of 1970) was passed and included an equivalent to s 22 SCA. In 2014, the "Subordinate Courts Act" was, via the Subordinate Courts (Amendment) Act 2014 (Act 5 of 2014), renamed the "State Courts Act" and there continued to be an equivalent provision to s 22 SCA. The parliamentary debates preceding the introduction of the Subordinate Courts Act (Act 19 of 1970) in 1970 and the introduction of the State Courts Act (Cap 321, 2007 Rev Ed) in 2014 did not address the provisions equivalent to s 22 SCA and are thus not directly of assistance in interpreting s 22 SCA.

52 Nonetheless, some of the parliamentary speeches concerning the Subordinate Courts Act corroborate the suggestion at [46] above that the purpose of s 22 SCA is to enlarge the jurisdiction of the DC and reduce costs for parties. I reproduce one example in *Singapore Parliamentary Debates, Official Report* (7 May 1970) vol 30 at col 21 (E W Barker, Minister for Law and National Development):

> The civil jurisdiction of the District Court will also be raised… *This will effectively off-load a considerable amount of work that has previously been dealt with in the High Court…* The Civil District Court has always been regarded as a *'poor man's court'*

> where he can pursue his claim with the aid of officials of the Court…
>
> [emphasis added]

This suggested that Parliament intended for s 22 SCA to enlarge the jurisdiction of the DC and allow parties to resolve disputes in a less costly forum.

53 I now consider amendments made *specifically* to the provisions *equivalent to s 22 SCA*. The current s 22 SCA is set out at [10] above, and its predecessor at [9] above; prior to that, an earlier iteration of the provision in the Subordinate Courts Act (Cap 321, 2007 Rev Ed) reads as follows:

> **Abandonment of part of claim to give District Court jurisdiction**
>
> 22.—(1) Where a plaintiff has a cause of action which exceeds the District Court limit in which, if it did not exceed the District Court limit, a District Court would have jurisdiction under section 20(1)(a) or (2) or 21, the plaintiff may abandon the excess and thereupon a District Court shall have jurisdiction to hear and try the action, provided that the plaintiff shall not recover in the action an amount exceeding the District Court limit.
>
> (2) Where a District Court has jurisdiction to hear and try an action by virtue of this section, the judgment of the court in the action shall be in full discharge of all demands in respect of the cause of action.

54 Evidently, the amendments made to this provision since 2007 have not been substantive and, understandably, the parliamentary debates regarding these amendments did not engage in an analysis of the provision. There is nothing to suggest that the purpose of s 22 SCA specifically is any different from the purpose of the SCA generally; the purpose of s 22 SCA therefore appears to also be to widen the jurisdiction of the DC, so that more claims can be heard in the DC, thereby resulting in time and cost savings for parties (see [52] above).

Parliamentary debates on amendment to the State Courts Act

55 The appellant relies on the following section of the *Singapore Parliamentary Debates*, *Official Report* (18 October 2010) vol 87 at cols 1395–1397 (Assoc Prof Ho Peng Kee, Senior Minister of State for Law):

> [A] litigant who wishes to commence an action will no longer need to be concerned with the legal nature of his dispute when deciding in which Court – that is the High Court, District Court or Magistrates' Court – to file his claim. Instead, the main determining factor would be the value of his claim.

The appellant argues that this shows that jurisdictional limits should be considered at the commencement of a claim and a claim should not exceed the jurisdictional limit of the relevant court when proceedings are commenced. The appellant thereby submits that "Parliament… intended to limit claims… to the [DC Limit] without reference to… contributory negligence.[17]

56 Assoc Prof Ho's speech did not address s 22 SCA but dealt with proposed amendments to the State Courts Act to (a) remove limits on the DC's jurisdiction which turned on the legal nature of a dispute; (b) give power to the Magistrate's Court to grant injunctions in some cases; (c) clarify that the jurisdiction of the Magistrate's Courts is established by service of process; and (d) clarify certain aspects of judicial practice. Nothing in the speech touched on the meaning of s 22 SCA or the relevant phrases being considered here. The quoted section of the speech instead addressed a distinct issue, namely, whether the jurisdiction of a court should turn on the *legal nature* of a dispute, in addition to the value of a claim. In the circumstances, it does not support the Reduced Claim Interpretation. Furthermore, since it is not directed at the very point in question, namely, what "abandon[ing] the excess amount" means, this piece of

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17 Appellant's Written Submissions at paras 43 and 44.

extraneous material is of limited usefulness in ascertaining the purpose of s 22 SCA (*Tan Cheng Bock* at [108] and [109]).

57 In fact, Assoc Prof Ho's speech makes clear that the main rationale for the amendments was to simplify matters for litigants and reduce their costs by enlarging the jurisdiction of the State Courts to hear more actions. To this end, Assoc Prof Ho noted that there was no reason why "the cases that the [State Courts] can hear should be limited to what are essentially only technical differences in the legal nature of the dispute". He also observed that litigants should not be "forced to go to the High Court when the actions can rightfully be commenced in the [State] Court. It means higher costs for the litigants even though the value of their claim is within the [State] Court's monetary limits". This is consistent with the rationale given by Minister E W Barker at [52] above. As I have pointed out above, these are considerations that underpin s 22 SCA, and is a policy objective which the Reduced Award Interpretation better meets.

The decision in *Keppel*

58 In *Keppel*, the respondent suffered injuries while working at the appellant's premises. He commenced proceedings for damages in the DC and the parties later agreed to enter consent interlocutory judgment, where the appellant accepted 70% liability with damages to be assessed. The issue in dispute was whether the maximum amount the DC could award was $175,000 (this being 70% of the DC Limit) after taking into consideration the respondent's contributory negligence. The Court of Appeal decided that any reduction for contributory negligence ought to be made from the damages as assessed, and not the DC Limit (*Keppel* at [20]).

59 While the issue there is identical to the one in this appeal, *Keppel* offers limited guidance on the interpretation of s 22 SCA. That was not case where the

respondent elected to abandon the excess amount of his claim. Instead, the question there was whether s 20(1) of the Subordinate Courts Act (Cap 321, 1999 Rev Ed) (the "**Sub Act**") was engaged where there was a reduction in the award of damages arising from a claimant's contributory negligence. It interpreted s 20(1) Sub Act, which has since been replaced by s 19(4) SCA. Section 20(1) of the Sub Act reads as follows:

> **Jurisdiction in actions of contract and tort**
>
> 20.—(1) A District Court shall have jurisdiction to hear and try any action founded on contract or tort where —
>
> (a) the debt, demand or damage claimed does not exceed the District Court limit, ***whether on balance of account or otherwise***; or
>
> (b) there is no claim for money, and the remedy or relief sought in the action is in respect of a subject-matter the value of which does not exceed the District Court limit.
>
> [emphasis added in bold italics]

60 The Court of Appeal in *Keppel* held that the phrase "or otherwise" was wide enough to include a situation where reduction of the damages awarded was to be made because of a claimant's contributory negligence – and any such reduction should operate on the damages assessed and not on the DC Limit (*Keppel* at [29]). In other words, the finding there was confined to the provision as it was drafted, specifically, the phrase "or otherwise". The said phrase does not appear in s 19(4) SCA and, accordingly, the reasoning is not applicable here.

61 In any event, for the purposes of this appeal, the absence of the phrase "whether on balance of account or otherwise*"* in s 19(4) SCA is not relevant. As discussed above, a claimant intending to claim an amount which exceeds the DC Limit can engage the jurisdiction of the DC under s 22 SCA, provided they "abandon the excess". The Reduced Award Interpretation reduces the damages

on account of contributory negligence from the assessed damages, which achieves the same result under s 20(1) of the Sub Act as interpreted by *Keppel*. There is no need for such a claimant to also satisfy s 19(4) SCA. I further note in passing that ss 19, 20 and 21 of the Sub Act were not expressly made subject to s 22 Sub Act (*ie*, the equivalent of s 22 SCA). Any ambiguity that may have arisen with respect to the DC's jurisdiction has been removed with s 19(4) SCA being made expressly "subject to" s 22 SCA.

62 Nonetheless, the observation of the Court of Appeal at [30] of *Keppel* remains apt: it is illogical to make reductions for contributory negligence *from* the DC Limit as it would not be consonant with s 3(3) of the Contributory Negligence and Personal injuries Act (Cap 54, 2002 Rev Ed). This provides that:

> Where any contract or written law providing for the limitation of liability is applicable to the claim, the amount of damages recoverable by the claimant under subsection (1) shall not exceed the maximum limit so applicable.

63 The Court of Appeal held that under the above provision, if a defendant's liability is limited by contract or written law, any reduction for contributory damages would operate on the total assessed damages and not on the limits imposed by the said contract or written law. In the circumstances, there was no reason for the courts to take "a diametrically opposite (and illogical) approach" (*Keppel* at [30]) by making reductions for contributory negligence from the DC Limit under the Sub Act.

64 The same reasoning applies with equal force to the interpretation of s 22 SCA. This further supports the Reduced Award Interpretation.

Conclusion

65 I find that the Reduced Award Interpretation is the correct interpretation of s 22 SCA. Therefore, s 22 SCA operates in the following manner:

(a) The DC can hear an action where the amount claimed exceeds the DC Limit on condition that the claimant confirms that they will abandon the excess amount.

(b) The claimant need not amend their pleadings or re-quantify their claim to not exceed the DC Limit to avail themselves of s 22 SCA. It is sufficient that the claimant gives notice of that choice to the DC. For example, the claimant may, in the Joint Opening Statement for Assessment of Damages for Personal Injury Claims, claim an amount exceeding the DC Limit, but state that they will abandon the excess under s 22 SCA.

(c) Where the DC determines that damages should be reduced on account of contributory negligence by the claimant or otherwise, that reduction is applied against the damages assessed, and not the DC Limit. The claimant will be awarded the reduced sum, which cannot exceed the DC Limit.

66 I therefore dismiss the appeal, with costs (including disbursements) fixed at $8,000 to be paid by the appellant to the respondent.

Hri Kumar Nair
Judge of the High Court

Appoo Ramesh and Lee Whye Tuck, Ambrose (Li Weide, Ambrose) (Just Law LLC) for the appellant;
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