

OPENING REMARKS BY MRS JOSEPHINE TEO, SENIOR MINISTER OF STATE, PRIME MINISTER'S OFFICE, MINISTRY OF TRANSPORT AND MINISTRY OF FOREIGN AFFAIRS, AT THE OPENING OF THE REFRESHED SINGAPORE MARITIME GALLERY, AT MARINA SOUTH PIER ON FRIDAY, 17 APRIL 2017, 12.00PM

Mr Esben Poulsson, President, Singapore Shipping Association & Chairman, International Chamber of Shipping,

Friends and partners from the maritime community,

Ladies and gentlemen,

1. Thank you for inviting me to join you for the opening of the refreshed Singapore Maritime Gallery.

Our Maritime Story – Why tell it?

2. Like many galleries, this one tells a story. It is a story of how Singapore grew from a humble trading post to become a global hub port and an international maritime centre.

3. Why are such stories important? Why in particular should we tell our maritime story? I can think of three reasons.

High-stakes Decision amidst Disruption

4. First, because it is interesting. That means there were twists and turns, and how the story unfolded could not have been fully predicted.

5. Take our port for example. In 1967, not long after independence, we had to make choice. Do we continue building conventional port facilities that handled cargo of all shapes and sizes? Or do we invest money to build a container port, along with modern cranes to load and unload container boxes?

6. It sounds like a no-brainer now. But back then, the answer was not so clear. Containerisation disrupted the shipping industry in the 1960s, much like online shopping and ride-hailing apps are disrupting the retail and taxi industries today.

7. Like most disruptions to industries, it was controversial and the stakes were high. Why? Because the handling equipment and facilities for containerisation were extremely costly and Singapore did not have much resources then, nor could we afford to make costly mistakes.

8. Containerisation also meant fewer workers were needed to handle the same amount of cargo, so people were worried about job losses.

Bear in mind that around the time, the British announced plans to withdraw their troops from Singapore by the mid-1970s. (And if my memory serves me right, the British military presence then provided jobs for one in six employed persons and the risk of mass unemployment was very real.)

9. But most of all, the fear was there would be no demand at all for container shipping in Singapore. No shipping line had committed to having any containerships calling at a container terminal along the Europe-Far East route. Who would we be building Tanjong Pagar Terminal for?

10. Faced with these daunting questions, were the decision-makers then somehow able to peer into the future and know that no matter what, their decision would turn out right? Maybe, but I suspect not. I believe it was more likely that they faced fear, uncertainty, and doubt. But in spite of their misgivings, having studied the options, they decided it was better to risk being on the wrong side of disruption than to risk becoming obsolete and irrelevant without even trying.

11. The rest, as they say, is history. Today, Maritime Singapore accounts for 7% of GDP and employs over 170,000 people. And it is the port that provides vital maritime connectivity for trade and businesses in Singapore.

Gearing up for the Future amidst Uncertainty

12. This brings me to the second reason why I think it's important to tell our maritime story. It is because the story demonstrates quite clearly that very often, we have to begin to act even when the answers are not clear. We very rarely have the luxury of knowing what exactly will happen next. But waiting will mean that the moment is lost, and the opportunity to open up a lead has passed us by.

13. This is an important lesson especially in the context of what we're attempting in our Next Generation Port at Tuas, where we hope to realise an unprecedented level of automation for an exceedingly complex operation.

14. For example, will all the automated guided vehicles and drones we're now testing work seamlessly with existing systems? Will our capabilities in data analytics deliver on the promise of bigger scale with superior efficiency and reliability? What will happen to the workers – will they get help to upskill or will they lose their jobs? What about the competition in the Straits of Malacca and Singapore – with all the other port developments, who will we be building Tuas Port for? Do these questions sound familiar? What should our choice now be?

Adapt and Transform in Response to Challenges

15. The third reason why our maritime story must be told is because it is inspiring. It is inspiring not because the hardware is phenomenal (although they are big and impressive) or the sector is glamorous (it is not). It inspires us because our maritime journey is really a story of Singaporeans' capacity to adapt and transform.

16. As you walk past each exhibit, remember what it tells you about the Singaporean response each time we face a new challenge. Do we bow in defeat or do we hunker down to find fresh formulas that work? Maybe the formulas are not so elegant when we first begin, but do we not refine, improve, enhance and strengthen all the time?

17. My belief is that in the next lap of our maritime journey, this capacity to adapt and transform is what will really stand us apart. It begins with each of the individuals working as technicians, engineers or planners in the port, our development partners and even MPA. But it doesn't end there. Also important is the capacity of the businesses – the shipping lines, the logistics providers, the financiers and insurers, and so on – to adapt and transform their products, services and business model, over and over again.

18. It is perhaps relevant that in the same year that we re-launch the Maritime Gallery, we are taking a fresh look at what our International Maritime Centre should look like in 2030. This will in turn provide useful inputs as MPA develops the Sea Transport Industry Transformation Map, as part of the follow-up from the report by the Committee on the Future Economy.

Conclusion

19. Singapore was not born a maritime nation. We became one, not by accident but by taking calculated risks and constant innovation. How did it happen? How shall we chart the way forward?

20. I hope the gallery provides you and everyone who visits interesting and inspiring insights that help to answer these questions. Thank you once again for inviting me and congratulations to the MPA team. I declare the Gallery open.

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