

EMBARGOED UNTIL AFTER DELIVERY
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**Speech by Mr Lui Tuck Yew
Minister for Transport and Second Minister for Foreign Affairs
at the Commissioning Ceremony of Seletar Airport Control Tower
and Runway on 10 January 2012 at 9.30am**

Dr Intan Azura Binte Mokhtar, MP for Ang Mo Kio GRC

Mr Gan Thiam Poh, GPC Member for Transport

Union leaders

Ladies and Gentlemen

Good morning.

It is my pleasure to be here with you for the commissioning ceremony of Seletar Airport's new control tower and extended runway.

Role of Seletar Aerospace Park in Singapore's Aviation Hub

Development

2. Despite the volatile economy, the aerospace industry in Singapore has enjoyed healthy growth. Over the past two decades, the industry has grown by about 12% on average each year. In 2010, it reached a record output of S\$7.2 billion and employed about 18,000 workers.

3. Currently, there are more than 100 leading global and local aerospace companies operating in Singapore, many of which have

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chosen to anchor their operations here at the Seletar Aerospace Park, or SAP.

4. The SAP has successfully completed its Phase 1 and 2 development just two months ago. In order to keep pace with the strong demand from the aerospace industry, JTC Corporation will be embarking on the third and final phase of development this year. I hope to see more companies setting up their operations here to capitalise on the synergies and economies of scale provided by an integrated aerospace cluster.

Growth of Seletar Airport to Support the Aerospace Industry

5. Supporting the growth and connectivity of the SAP is Seletar Airport, the first airbase to be built in Singapore. Since coming into operations in 1928, Seletar Airport has served both civilian and military flights even before Kallang Airport.

6. To ride on the aerospace industry growth, Seletar Airport has embarked on a major upgrading programme since end-2008. Undertaken by Changi Airport Group, one of the key completed works is this new control tower which we are standing in now. With the upgrade, the tower now operates using new up-to-date Air Traffic Control equipment that will enhance the controllers' overall efficiency. It also houses a new fire station which provides for a higher standard of airport

emergency and rescue services in accordance with ICAO Category 7 level of protection¹.

7. The other significant milestone at Seletar Airport is the extension of the runway by 250 metres to 1,836 metres. In the past, Seletar Airport was only able to accommodate small narrow-body aircrafts like the Airbus 319 and 320. The longer runway will support larger jets like the Boeing 757 and Gulfstream 650 operations, and enable heavier aircraft take-off loads. This extension will pre-position Seletar Airport and Singapore for the future growth of the aerospace industry.

Positioning Seletar Airport as a Regional Airport for Business Aviation

8. Other than supporting the SAP, the Civil Aviation Authority of Singapore and Changi Airport Group are also jointly working with our airport partners to develop Seletar Airport as a regional airport for business aviation. The business aviation sector in Singapore has grown strongly at a compounded annual growth rate of 21% from 2007 to 2010.

Despite the global economic uncertainty, its growth prospects in the Asia Pacific region remain robust – Bombardier has predicted that business jet penetration in the region will surge by almost three times from current levels over the next 20 years. Seletar Airport is poised to ride on the growth of business aviation due to the privacy and convenience it provides to users.

¹ ICAO's aerodrome categories indicate the longest aircraft that can utilise the aerodrome and their fuselage width. An ICAO Category 7 aerodrome would be able to handle aircraft whose overall length is up to 49m, with a maximum fuselage width of 5m, such as the B737-800, B757-200, B767-200 aircraft. In comparison, the fire stations at Changi Airport provide for Category 10 level of protection.

9. As such, the airport operations and passenger facilitation will also be further enhanced. This will enable Singapore to have a modern and dedicated airport to host business aviation activities and to tap on the opportunities and growth of the business aviation industry.

10. Seletar Airport will continue its transformation. You can expect to see more parking bays and taxiways that will enhance the airport capacity. By 2014, it will also be equipped with an Instrument Landing System that will enable all weather flight and night operations. When fully completed, Seletar Airport will be able to support more business needs and add depth to Singapore as a major aviation hub.

Looking forward to the future

11. Looking ahead, the aerospace industry is expected to experience challenges even as Singapore strives to enhance its competitiveness as an aviation hub amid the global economic uncertainty. However, long term growth prospects for the industry remain good. Rolls-Royce Civil Aerospace has predicted 63,000 commercial aircraft and business jet deliveries from 2010 to 2029, and has projected market opportunities worth US\$600 billion for the provision of product-related aftermarket services.

12. Singapore wants to be part of this global growth, to enable the local aerospace sector to contribute significantly to the economy, and to create good jobs for Singaporeans. To achieve all these, we have to

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maintain our leadership position as a global aerospace hub by continuing to deliver world class infrastructure, such as the SAP and Seletar Airport. The completion of Phase 3 of the SAP and the fully upgraded Seletar Airport will play a new and key role in Singapore's aviation hub development. When fully completed, they will contribute an estimated S\$3.3bn in value-add to the economy and create 10,000 skilled jobs.

Conclusion

13. I would like to take this opportunity to thank the operators here and the neighbouring residents for their patience and understanding over the past two years when the upgrading works were being carried out. With your continued support as we complete the upgrading works, I am confident that we can continue to enhance our vibrant and sustainable aviation hub in the years to come.

14. Thank you.

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