

SPEECH BY MR KHAW BOON WAN, COORDINATING MINISTER FOR INFRASTRUCTURE AND MINISTER FOR TRANSPORT, AT THE 70TH ANNIVERSARY DINNER & DANCE OF THE SINGAPORE PORT WORKERS UNION (SPWU) ON FRIDAY, 14 OCTOBER 2016, 8.20PM, AT COLLYER BALLROOM, FAIRMONT SINGAPORE

Mr Joseph Wang, President of the Singapore Port Workers Union,

Mr Fock Siew Wah, Group Chairman of PSA International,

Ladies and gentlemen,

Good evening. I am happy to join you to celebrate SPWU's 70th anniversary.

Introduction

2 SPWU has a long and illustrious history. It was the first trade union registered in Singapore, in 1946. But for me, being the oldest union around is not its greatest achievement. It is that over the past 70 years, generations of SPWU leaders have advanced the interests of its members by working hand-in-hand with the Government and management, to also take into account national and strategic perspectives, as well as the concerns of the company. This has helped us achieve balanced and sustained outcomes that have benefited everyone.

3 For example, over the decades, SPWU has actively partnered management to help workers embrace new technologies and processes to increase productivity. In the 1960s, stevedores used to load and unload ship cargo manually. This was strenuous work. However, with up-skilling over the years, port operations professionals today have the technical expertise to remotely operate multi-million dollar cranes. This has not only helped us attain the high service standards for which Singapore has come to be known, but also enabled wages to rise as workers acquired new skills and responsibilities.

Emerging from the Downturn Stronger

4 As we are too well aware, the shipping sector is facing strong headwinds. It is grappling with low freight rates and excess capacity, and undergoing consolidation. The troubles faced by shipping lines will also reverberate through ports globally.

5 But there are bright spots. We are seeing new job opportunities for Singaporeans, even as some workers in the shipping and maritime sectors are feeling a degree of anxiety and uncertainty. For example, I am told that PSA is looking to hire some 100 engineers, technicians and IT professionals. This is just the start of a larger push to build up its capabilities to design, maintain and operate the sophisticated systems of the future.

6 And despite the current challenges, PSA management and staff have been pulling together to serve customers to the best of your abilities. This is most evident by how PSA has handled the fallout from the aftermath of Hanjin being put on receivership. PSA went the extra mile to facilitate the smooth discharging of Hanjin containers from vessels. This helped minimise disruption to shippers and consumers. I hear that PSA received much appreciation from the industry for the way you handled the situation.

7 All this would not be possible without the hard work of all of you. It is this "can-do" spirit that will get us through this downturn, and strengthen our position as a global hub port for many years to come.

Port of Tomorrow Brings Exciting Job Opportunities

8 While we are well placed, we cannot be complacent, and be happy with where we are. Instead, we should take the opportunity of this slowdown to prepare for the future. The port of the past is different from the port we have today. Singapore was one of the first ports in the world to implement a one-stop, electronic system, Portnet, linking the shipping community to the port and enabling us to serve our customers more efficiently. The use of double-stack trailers and remotely-operated yard cranes on a large scale has also made our port a shining example of leveraging technology and innovation to enhance operations.

9 The opening of Pasir Panjang Terminal Phases 3 and 4 has created new job roles. A single crane specialist now remotely monitors and controls the operations of several cranes. And this is done from the comfort of an air-conditioned room! We have come a long way from how containers were unloaded from the MV Nihon, the first container ship that called at Singapore in 1972.

10 Tomorrow's port at Tuas will be even more different. We must boldly explore and embrace next-generation technologies, and continue pushing the boundaries. Within the next ten years, many of today's jobs will look quite different. Some jobs will be made redundant by technology, even as new ones come our way.

Increased deployment of automation

11 I see the transformation of jobs at the port being driven by two developments. First, the increased deployment of automation brought about by the advancement of technology. Take for example the automated guided vehicles, or AGVs, that PSA has been piloting at Pasir Panjang Terminal. Instead of prime movers driven by humans, these driverless AGVs will ferry containers around our port at Tuas. It does mean that fewer drivers will be required, but at the same time, more technicians, engineers and software programmers will be needed to support AGV operations. These will be higher value-added work, compared to the driving profession to which we are also finding it difficult to attract young people.

12 Advancements in technology will also make the work of the future easier for many of you. We will one day say goodbye to some of the most physically demanding jobs within the port. Lashing work could be made easier with the use of lashing guns, for example. Jobs such as the manual coning and de-coning of containers could be replaced by automatic platforms, or robotic arms. The Government and PSA will up-skill workers performing such strenuous tasks to carry out the work now aided by mechanisation, and drivers to assume other higher value-added responsibilities.

Move towards integrated, smart systems

13 The second key development is that automation will be part of a larger move towards integrated, smart systems. With the introduction of intelligent maintenance systems at the future port, technicians will no longer need to perform routine maintenance work, and can focus on higher-level and more complex tasks.

14 Such smart systems will be powered by data analytics, which involves the collection of large amounts of data to identify patterns and trends. Data analytics will also play a more prominent role in the planning and optimisation of port operations, enabling further improvements in productivity and efficiency. Our port will therefore need more data analysts and operations research specialists.

Developing and up-skilling our manpower

15 We therefore have to understand these changes coming, and how the requirements of jobs will change. We need to prepare ourselves, so we can ride the wave and stay ahead.

16 Hence, MPA has been partnering PSA to develop programmes that help port workers acquire new knowledge and skill-sets. In June this year, we launched the new SkillsFuture Earn-and-Learn Programme, or ELP, for port operations. The ELP puts fresh polytechnic graduates through structured in-house training, allowing them to more quickly pick up the ropes and contribute as skilled professionals.

17 I am glad that PSA is also working actively with SPWU to help our workers up-skill, for example, by enhancing career progression pathways for prime mover drivers and crane operators. This means they can take on greater responsibilities as operations supervisors. For those workers deployed to Pasir Panjang Terminal Phases 3 and 4, I am told that PSA had put together a comprehensive on-boarding and training programme to help them adapt to the new equipment and working environment.

18 I am equally heartened that SPWU and PSA are also working together to improve working conditions at the port. I understand that two joint working groups have been set up to promote a more conducive workplace and encourage healthier living amongst workers.

Tripartite Partnership is the Cornerstone of Our Success

19 Our standing today as leading hub port did not happen by chance. It is the fruit of a strong tripartite partnership between the Government, PSA and SPWU. Founded on mutual trust, this partnership has stood the test of time and enabled us to emerge from previous downturns stronger and more resilient. I am similarly confident that we will emerge stronger from this current downturn in the shipping and port sectors.

20 The theme for tonight's dinner – "SPWU: Celebrating 70 Years and More" – is therefore most apt. It not only celebrates our successes, but also captures our commitment to continue steering our port to new frontiers.

21 On this note, let me congratulate SPWU again on your 70th anniversary. You have come a long way. I wish you and your members many more successful years, and I look forward to the rest of the evening.

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