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**SPEECH BY MR MAH BOW TAN,
MINISTER FOR COMMUNICATIONS AND
MINISTER FOR THE ENVIRONMENT, TO COMMEMORATE
THE HANDLING OF 10 MILLION TEUS IN 1994
AT BERTH B6, BRANI TERMINAL
ON THURSDAY, 15 DECEMBER 1994 AT 5.00 PM**

It gives me great pleasure this evening to join all of you in commemorating this important milestone for the Port of Singapore Authority (PSA). The port of Singapore has exceeded the 10 million twenty-foot equivalent unit (TEU) mark, for the first time in its 22-year history of container handling. Singapore is the only other port in the world, apart from Hongkong, to enjoy this distinction.

The decision to build a container port, taken in the early 70s, when the economic situation was quite uncertain, was a monumental act of faith and foresight on the part of the port's early stewards. The results, as they say, speak for themselves. The port has maintained double-digit growth in container traffic since it commissioned its first berth in 1972. During this period, PSA handled a total of 62 million TEUs. It took 14 years, from 1972 to 1985, to handle the first 10 million TEUs, four years for the next 10 million TEUS, and less than two years to handle the third 10 million containers.

We can count many blessings for our success, not least our strategic location in a dynamic region, whose economies have surged ahead in a stable political environment. This, however, is a necessary, but not sufficient, condition for success. It is the men and women of the PSA, past and present, who saw the opportunities, seized it and made it work, who made the difference.

Running a port is no routine matter. Singapore is linked to some 370 container ports worldwide and PSA's systems have to cope with transshipment cargo involving about 5,000 port-pairs. Each port-pair represents a different combination of ports using Singapore as a relay point for their cargo.

A typical day sees PSA's container terminals handling about 42 container ships and almost 30,000 TEUs. On average, a mother vessel loads and discharges about 1,400 TEUs and is serviced by about 30 to 40 feeder vessels. The thousands of container movements in the yard and on board ship is executed with military precision in just 15 to 16 hours, the average turnaround time for mother vessels. This process goes on non-stop three shifts a day, 365 days a year, rain or shine.

That PSA has been able to sustain this for two decades is a tribute to its ability to respond quickly and effectively to the strong growth in container traffic by constantly improving its work systems and investing heavily in modern infrastructure.

Twenty-two years ago in June 1972, PSA handled its first container ship when its first container berth was commissioned. Today, PSA has three container terminals, with a new mega-terminal under development at Pasir Panjang. PSA's 29 berths are designed to accommodate the largest container vessels with capacities of about 5,000 TEUs. This is nearly double the size of the largest container ship that called into the port in the 1970s.

The extensive use of Information Technology has enabled the PSA to do much more without a corresponding increase in resources. The port had a staff strength of 10,400 when it was handling 120,000 TEUs in 1973. Today, 7,500 people cope with more than 10 million TEUs. From the port planners who use expert systems to allocate berths and deploy men and machines for ships calling at the container terminals, to the machine operators who receive instructions through computer terminals located in their

cabins to update container movements' real-time, their willingness and ability to accept and embrace new technology has been a major factor in PSA's ability to offer outstanding service and remain competitive at the same time.

Computerisation has also changed the way port users interact with the port. Gone are the days when port users had to queue up to process stacks of shipping documents. Container documentation is now almost paperless, and can be cleared even before the containers reach PSA. PORTNET, PSA's electronic data interchange system, enables port users to submit their declarations, plans and manifests electronically which means haulers can clear their containers at PSA's gates, in about one minute.

The prospects for the container trade remain bright. But, we should never take Singapore's strong container growth for granted. Sea cargo has no location loyalty. Cargo will flow to ports that offer good facilities and low costs. As the regional economies expand, each port can look forward to a bigger share of the market. And the port that can offer the best service at competitive prices will continue to enjoy the largest share.

In conclusion, let me congratulate all of you in the port and shipping industry, particularly the container shipping lines, freight forwarders and staff of PSA on reaching the 10 million TEU mark this year. You have worked hard to make Singapore one of the world's leading container ports. You deserve all the praises and accolades you receive. So long as you continue to show the same spirit of co-operation and determination, there is no reason why the port of Singapore cannot reach even greater heights as a leading container port in the world.

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