

SPEECH BY MR HENG CHEE HOW, NTUC DEPUTY SECRETARY-GENERAL AT THE 4TH MARITIME MANPOWER SINGAPORE CONFERENCE ON 7 SEPTEMBER 2007 AT RAFFLES THE PLAZA

Mr Jon Whitlow, Secretary of the Seafarers Section,
International Transport Workers Federation

BG Tay Lim Heng, Chief Executive, Maritime Port
Authority of Singapore

Mr Kenichi Kuroya, Managing Director, K Line Pte Ltd

Capt Francis Joseph, Chairman, Singapore Maritime
Employers Federation

Distinguished guests from the international unions,
shipping industry, fellow speakers,

Ladies & Gentlemen.

I am delighted to join you at this Maritime Manpower Singapore 2007 Conference. I note that the theme of this conference is “Crewing Crisis – A Call for Action”. It certainly shows how seriously the industry is taking this subject.

1 Like all industries, the Maritime sector is one that thrives on talent and skilled manpower. In an increasingly globalised and competitive business landscape, talent and skilled manpower are scarce resources that are quickly snapped up in all labour markets. It is not surprising therefore that this sector is also facing skills shortages.

2 That said, I understand from the conference organizers that there will be an estimated shortfall of 27,000 Officers by the year 2015. Within this deficit, the shortage of seafaring Officers is most acute for very specialised ships like Liquid Natural Gas (LNG) vessels, Liquid Petroleum Gas (LPG) vessels and chemical tankers.

3 In other words, the good news is that there are jobs aplenty in the industry looking for the right people to fill them. If more could be done to increase intake, reduce leakage and upgrade the capability of the workforce, the industry will be able to seize the opportunities and grow. On the other hand, this growing deficit, if left unchecked or inadequately addressed, would hurt growth and prospects.

Hence, this urgency to find practical ways to tackle the challenge.

4 What can the Maritime industry do? A 2-pronged strategy may be helpful.

- Training & Skills Development
- Collaborative efforts to attract and retain suitable manpower.

5 While such a framework is logical, how does one know that it is practical? Would it be just a motherhood statement, akin to advising people that they can always make money on the stock market by buying low and selling high?

6 Luckily, there are initiatives that we can draw encouragement from. Allow me to briefly share an example of such an effort from Singapore.

7 There is an initiative called the Job Re-creation Programme (JRP). It is a collaborative effort by employers, union and government to catalyse industry manpower redevelopment, so that Singapore remains competitive and our workforce can have better jobs with better pay and prospects. One of the specific efforts under the JRP umbrella is the partnership by the Association of Singapore Marine Industries (ASMI), the Singapore Workforce Development Agency (a government agency) and the Singapore National Trades Union Congress (NTUC). It is called the ASMI Super V programme.

8 Some background to the marine industry in Singapore would be relevant here. A couple of decades back, the shipbuilding and repair industry in Singapore was deemed by some quarters as a “sunset industry”. The industry refused to accept its fate as defined by others, and went through a period of tough restructuring and transformation.

9 Today, the industry is a highly competitive and technologically advanced one and a world player in niche areas such as rigs building, and enjoys strong order books. The industry is able to offer a wide and improving range of jobs at all levels and is facing skills shortages. The Super V sought to help address the needs by a combination of training, placement, skills upgrading and career development, together with funding incentives for training and job redesign. From 2006 to end July 2007, 87 trainees have gone through this programme and have been trained and placed in a range of work, from Charge hands to higher Supervisory positions. The scheme has attracted locals and new entrants to the industry. Much more remains to be done as the demand for skilled manpower remains very strong.

10 I thought that this example bears some resemblance to your situation. Both industries are seeing strong growth. Both industries face significant skilled manpower shortages. Both industries are committed to working on practical ways to address the shortfall challenge.

11 So I return now to the Maritime industry. In the area of training and development, I am told that the quality of maritime training in Asia is acknowledged by industry. The organizers informed me that the Singapore Maritime Academy, for example, has been named “Best Seafarer Training Institute” in 2000 & 2002 by Lloyd’s List Maritime Asia.

12 Hence, I believe that there is training capacity of the right quality to help those who are already sailing to enhance their employability by retraining and upgrading skills to work onboard more technologically advanced and specialised vessels. These jobs are of higher value and will fetch more attractive wages.

13 Ship-owners and ship-managers should invest in the training and upgrading of the skills of seafarers sailing onboard their ships. If everyone does so, the pool of skilled manpower grows and everyone benefits. Conversely, if everyone expects someone else to do the training and

themselves to do the poaching, then the skilled manpower pool will not grow, and the shortages can only get worse.

14 Likewise, Ship-owners and ship-managers could also pool their resources and invest in training infrastructure to collectively and effectively provide training to more seafarers and those aspiring to sail. Such joint action to enlarge the pool is an exercise in enlightened self-interest.

15 In this regard, my attention has been drawn to the CadetsPlus programme. It is a solution jointly developed by the Employers, the Singapore Maritime Academy (SMA) and the Union (SMOU) using the Singapore Maritime Training Fund (SMTF). It is a good initiative. The employers' need for quality seafarers is better met, the training offered by the SMA is of quality and most importantly, union members who are seafarers have access to better job opportunities.

16 I am told that the first cohort of cadets is currently undergoing the CadetsPlus programme in Qingdao (China) and will graduate on 14 September 2007.

17 The global outlook for the Maritime industry is a bright one. Fleet sizes are projected to increase substantially in the coming years in line with global economic growth. The technology used is increasingly sophisticated. The number, range of jobs in the industry and their rewards are growing in tandem.

18 Such a situation offers tremendous potential and opportunities. Working together, partners in this industry will be able to seize these opportunities and benefit from them in a pro-active, sustainable way. I urge you to do so with all your energies.

Thank you.