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**OPENING ADDRESS BY MRS LIM HWEE HUA
MINISTER OF STATE FOR FINANCE AND TRANSPORT
AT THE LAUNCH OF THE SINGAPORE MARITIME TRAINING
FUND AND FORUM ON MARITIME TRAINING IN CHEMICALS AND
GAS
FRIDAY, 7 JULY 2006
SWISSOTEL THE STAMFORD, SOPHIA ROOM**

Distinguished Guests,
Ladies and Gentlemen,

It is my pleasure to be here this morning for the launch of the Singapore Maritime Training Fund (SMTF) and to open the Forum on Maritime Training in Chemicals and Gas.

Demand for Seafarers

2. In recent years, the government has launched many initiatives to create a conducive environment to grow our maritime cluster and to position Singapore as a leading International Maritime Centre (or IMC). While we have achieved considerable progress so far, we recognize that manpower development will be one of the key factors that will ensure the sustained success of our IMC efforts.

3. I cannot over-emphasize the importance of quality manpower to Singapore's maritime industry. The rapid growth of world trade has fuelled the demand for more maritime vessels and in turn increased the demand for seafarers. Vessels are getting larger, and operation and management methods have become increasingly complex. We are also seeing more sophisticated

specialist vessels which are technically more demanding, such as Liquefied Natural Gas (LNG) and chemicals carriers. Moreover, security issues, growing international awareness and stricter regulatory requirements on safety and environmental standards place added demands on ship operations today. Furthermore, many orders for new vessels have yet to be delivered so the demand for seafarers can only intensify further.

4. Despite the increased demand for skilled seafaring officers, the industry continues to face severe difficulties in recruitment. One challenge is in the common public misperception of seafaring as a tough and unattractive career option. Given the constraints in human resource, ships have to operate with suboptimal crew sizes. This in turn places heavier burdens on individual crew members and further exacerbates the difficulty in attracting new seafaring officers. With increased workloads and different training standards of crew sourced from around the world, ships are also more vulnerable to accidents due to human factors. It is widely believed that the bulk of maritime accidents are due to human error.

5. There is therefore an urgency to ensure uniformly high crewing standards and conditions so as to improve the safety and quality of ship operations. This can only be achieved by quality training, continued skill upgrading, as well as improvement of work conditions. We must also work together to improve the public image of seafaring careers, in order to attract more talent into the industry.

The Importance of Quality Seafaring to Singapore's Maritime Cluster

6. To this end, the government has placed great emphasis on training and continuous skill upgrading. Recognizing the need to attract young Singaporeans

to undertake a seafaring career, MPA has launched two scholarship schemes, in collaboration with the shipping employers, SMOU and SOS. These are the Tripartite Maritime Scholarship Scheme or TMSS, as well as the Seafaring Alternative... An Investment for Life (SAIL) Scholarship. Thus far, a total of 38 TMSS and 6 SAIL scholarships have been awarded. These initiatives will help Singapore generate a steady number of new seafaring officers.

7. Apart from promoting the training of new seafaring officers, it is also important to provide opportunities for continuous upgrading for those already in seafaring careers. In this regard, MPA has also launched the Bachelor and Master of Science in Maritime Studies – Shipping programmes at NTU in 2004, providing a continuous track of self-improvement for experienced seafaring officers. Nonetheless, more must be done to develop the skills of our seafaring officers and highlight the attractiveness of a lifelong maritime career. Our maritime cluster also stands to benefit from the experience and expertise of seafaring officers who decide to come ashore later in their career to join the shore-based maritime service sector.

Demonstrating the Value of the Unions

8. Ladies and Gentlemen, the SMTF is a very good example of collaboration between the unions and the shipping industry to complement the Government's efforts in manpower development. The Government welcomes and encourages the industry and unions to work closely together to develop manpower programs which cater to the needs of industry. For example, in light of the use of English as the *lingua franca* of the maritime sector, programs must be implemented to address the need for English language proficiency, especially for seafaring officers from non-English speaking backgrounds.

9. The shipping industry of today is being presented with new challenges such as the shipment of LNG and chemicals, as well as elevated security risks. These challenges and the consequent need for additional seafarer training present an excellent opportunity for the unions to work with the industry in developing joint training programs to upgrade the skill sets of our seafaring officers.

10. The unions also play a key role in protecting the welfare of seafarers, who work far away from their homes and families for long periods. Social programmes organized by the unions for seafarers and their families would be complementary to the welfare benefits provided by the employers. I therefore welcome efforts by the unions and employers to work together in such areas.

11. Programs targeted at enhancing seafarer training and welfare will allow the unions to highlight the benefits that their members get from the welfare contributions collected. In the longer term, it will also help to enhance the attractiveness of seafaring as a career. I therefore encourage the unions to take a similar approach of demonstrating the tangible outcomes of its programs for its members in other areas of their activities as well.

Conclusion

12. Today's launch of the SMTF signals that the SMOU, the industry and stakeholders are united in investing for the future. It is also an important demonstration of our joint commitment to enhancing the manpower that is crucial to Singapore's development as an International Maritime Centre. Once again, let me commend the SMOU and the industry for their collaboration and contributions.

13. Thank you.