

**KEYNOTE ADDRESS BY DR BALAJI SADASIVAN,
MINISTER OF STATE FOR HEALTH AND TRANSPORT
AT THE LAUNCH OF THE
BSC AND MSC IN MARITIME STUDIES – SHIPPING,
NANYANG EXECUTIVE CENTRE, NTU,
THURSDAY, 5 AUGUST 2004, 3.00 PM**

It gives me great pleasure to join you this afternoon to launch the Bachelor and Master of Science programmes in Maritime Studies – Shipping. These are the first-ever maritime degree programmes offered by a local university.

2 Our maritime history goes all the way back to the 14th century, when Temasek was a thriving port. Archaeological finds on Fort Canning and along the Singapore River attest to this fact, which had earlier only been guessed at from historical texts. Our fortunes dipped with the rise of other ports like Malacca and later, Batavia. Then, in 1819, our fortunes once again changed when Sir Stamford Raffles recognised the value of Singapore's position at the confluence of the Straits of Malacca and the South China Sea, making it a perfect place for the booming East-West trade. Singapore's entrepot trade grew steadily. In the 20th century, with the ebbing of entrepot trade and the rise of container shipping, Singapore also managed to re-position itself to capture this market. Today, we are the busiest port in the world and the world's top bunkering port. The maritime sector contributes about 6% of our GDP, and provides jobs for some 120,000 people.

Importance of the Maritime Industry

3 There is no doubt that Singapore's maritime industry will continue to play an important role in our economic growth. Indeed, it is forecasted to grow

by 6 to 8% p.a. from now until 2018. We are already seeing this growth with the increased demand for the carriage of goods by sea, fuelled by a booming China economy, and an overall recovery of the global economy. This translates into a higher demand for ships and cargo space, which in turn generates greater demand for supporting services such as ship chartering and management, ship financing and insurance, and maritime arbitration and legal services.

Promising Maritime Career

4 Against this backdrop, demand for a steady supply of well-trained, capable and dedicated manpower in the maritime industry is projected to increase by 47% for the next 14 years. Hence, career opportunities in the maritime industry are aplenty. Some of these areas include jobs in shipping agencies, ship chartering and lines management, cargo terminal operations, freight forwarding and warehousing.

5 This presents us with the challenge of ensuring that our training and manpower development output meets the industry's demands, both in quantity and in quality. There is a misperception that a maritime career is not a glamorous one, and it is often associated with hard work and tough working conditions. This is not true as the maritime industry is not just about physically operating ships or port facilities. It is a diverse industry that requires a whole spectrum of talents at all levels, from the operational level to tertiary and even postgraduate levels, in a variety of fields.

6 Some may even ask what a female graduate can do in this sector, which is often mistaken as a man's domain? Well, you could be an executive with a shipping line, planning the shipment of cargo, negotiating the rates and ensuring the prompt arrival of cargo, or you might be working on the turnover of crew,

managing their training and development. A maritime graduate could also work with the maritime and port authority to set policies that ensures Singapore's competitiveness through enhancement of our hub port status and development as an International Maritime Centre.

Attracting Maritime Talents

7 Given our hub port status, Singapore already has a pool of maritime expertise in the operational and technical aspects. However, as we move up the value-chain to develop Singapore as an international maritime centre, there is a greater need for maritime personnel trained at the tertiary or higher levels to manage entire fleets, run companies that provide expert services to these ships and develop new businesses in the maritime sector.

Bachelor and Master of Science programmes in Maritime Studies

8 The introduction of the Bachelor and Master of Science programmes in Maritime Studies is therefore a timely step to attract the talent and raise the expertise and qualifications for the industry. The first of its kind offered by a local university, the maritime degree programmes are the result of a tripartite co-operation between the industry, the Maritime and Port Authority (MPA) and the Nanyang Technological University (NTU).

9 I am happy to note that support from the industry for the programmes has been forthcoming. Neptune Orient Lines, Pacific Carriers Limited, Regional Container Lines and the newly-established Singapore Maritime Foundation have shown their support by providing scholarships for the BSc in Maritime Studies. Together with the scholarships offered by MPA, this will certainly draw high calibre talent into the industry.

10 Indeed, the response to the programmes has been overwhelming. The BSc programme, like a good IPO, was six times oversubscribed with a substantial number of students opting for the programme as their first choice of study. The admission scores of these students also compare very favourably with traditional favourite fields such as Business and Engineering.

MPA's Tertiary Education Plan

11 To further enhance the development of manpower in the maritime industry, the MPA has firstly formulated a tertiary education plan that will in time introduce a greater variety of courses and programmes on a full or part-time basis. These could range from maritime business to naval architecture for those already working in the maritime industry who want to upgrade themselves, polytechnic students who want to further their studies and fresh students entering university. Examples of such programmes are the Diploma in Ship Operations and Management and Advanced Diploma in Ship and Marine Technology. Currently, polytechnic graduates of the Specialist Diploma in Marine Engineering and Naval Architecture can pursue their fourth year studies in the University of Strathclyde and Glasgow in the United Kingdom. MPA is working to bring the 4th year programme to Singapore, which will allow more students to take up the course.

Maritime Industry Attachment Programme

12 Secondly, MPA has developed a Maritime Industry Attachment Programme (or MIAP for short), which aims to attract students from non-maritime related disciplines into the maritime industry. This has been introduced at NTU and the National University of Singapore (NUS). MIAP

provides students the opportunity to obtain on-the-job working experience, and requires them to complete work projects within the attachment period. Student interns will be able to experience working in a maritime company, to allow students to have a better appreciation of what the maritime industry offers. To attract participation by high calibre students, MPA will provide financial incentives, on top of the allowance paid by the attachment companies.

A Seafaring Career

13 Even as we develop talents for shore-based maritime jobs, we also need to encourage more Singaporeans to go to sea. As a maritime centre, we must have a sufficient pool of qualified people with seafaring experience to take on key positions in our maritime sector, both in the government and the private sector.

14 We require Master Mariners and Chief Engineers, who can be entrusted with the responsibility to care for the ship and her cargo, which could be worth at least \$150 million. They make decisions that have a significant impact on the lives of those under their charge, as well as on the company's bottom line. This is no different from the responsibility entrusted to senior executives in an MNC. The rewards are also great. Master Mariners and Chief Engineers can command \$10,000 a month, tax-free. And indeed, as a doctor myself, I can certainly say that this is more than what many doctors earn. Of course, in addition, doctors have to pay taxes! When these master mariners and chief engineers decide to swop their seafaring lives for a shore-based job, their experience and skill sets are invaluable. Some rise to become Chief Executives of the companies they lead. Two prominent examples include Capt Ib Fruergaard, Managing Director of AP Moller Singapore Pte Ltd and Capt Wei Jiafu, President and CEO of COSCO Group.

15 Unfortunately, the number of Singaporean seafarers has been steadily declining over the years. Moving forward, this is an important area which we must tackle to maintain our competitive edge as a maritime centre. MPA is working closely with our tertiary institutions and the industry to encourage more talented Singaporeans to take on seafaring careers. It will take at least a few years for their efforts to bear fruit, but we must start now before it is too late to reverse the trend.

Conclusion

16 As the pioneer batch of students in maritime studies, you will set the benchmark in this field. Like the saying, “Make or Break”, your efforts will determine if your juniors after you will be persuaded to follow in your footsteps. So let me welcome you to the brand new school term and the exciting learning journey that lies ahead of you. I wish each and everyone of you success in your studies.

17 It now gives me great pleasure to launch the Bachelor and Master of Science in Maritime Studies – Shipping. Thank you.