

**EMBARGOED TILL 10 JUNE, 2.30PM**

**PLEASE CHECK AGAINST DELIVERY**

**OPENING ADDRESS BY MR HAWAZI DAIPI  
SENIOR PARLIAMENTARY SECRETARY (MANPOWER & HEALTH)  
AT THE OPENING OF KEPPEL SAFETY TRAINING CENTRE  
ON 10 JUNE 2010, 2.30PM AT KEPPEL SHIPYARD**

Dr Lee Boon Yang, Chairman of Keppel Corporation,

Mr Choo Chiau Beng, CEO of Keppel Corporation & Chairman of Keppel Offshore & Marine,

Mr Tong Chong Heong, CEO of Keppel Offshore & Marine,

Mr Nelson Yeo, MD of Keppel Shipyard,

Ladies and Gentlemen,

Good Afternoon.

**Introduction**

It is my pleasure to join you today. Keppel Offshore and Marine is one of Singapore's largest companies and a significant player globally. As we aim to raise our national safety standards in the marine sector, big players like Keppel Offshore and Marine and your various partners will play a pivotal role.

**Marine Industries WSH Performance**

2 The marine sector has always been a priority area for my Ministry, but its Workplace Safety and Health (WSH) performance in recent years has been less than ideal. Its fatality rate has risen continuously for two years, from 8.4 per 100,000 employees in 2007 to 9.2 in 2008 to 11.1 in 2009<sup>1</sup>. Last year, 487 marine sector employees either suffered a work injury or died at work. This means that more than one worker was injured everyday. The severity of these injuries has also risen as the sector's severity rate went up from 212 man-days lost per million hours worked in 2007 to 274 in 2009. These are sobering facts and remind us that we need to do more to keep all our marine employees safe at work.

3 Before I elaborate on what we can do, let me share some of the observations that my Ministry has made from incident investigations and inspections in the marine sector. Our inspectorate found that while many shipyards have documented and planned the safety procedures for key work processes, the measures may not always be adequate or kept up-to-date with changes to work processes. Line supervisors and workers on the ground may also lack sufficient capabilities and commitment to ensuring safety. For example, my Ministry prosecuted two shipyards and its managers recently for three incidents that resulted in five deaths and 11 injuries. The parties were fined almost half a million dollars in total for failing to ensure safety. Some of the failings that caused these tragic incidents include failing to ensure proper ventilation of a confined space, failing to conduct a proper risk assessment and adopting an unsafe method of work, as well as ignoring warnings signs and choosing to put workers in danger in spite of these warnings. Workers, too, were found to be ignorant or did not bother to heed the tell tale signs of danger.

4 These issues that I have stated are not new nor are they unique to the marine sector. While the industry has made some progress, with many of the larger companies in this sector putting in place proper measures, we still find pockets of non compliance. Unfortunately, a single lapse can result in serious incidents. So what can we do? We

---

<sup>1</sup> Fatality Figures per 100,000 workers: 8.4 – 2007, 9.2 – 2008, 11.1 - 2009

can adopt a systematic process to improve and to get all marine sector stakeholders involved in this process.

5 MOM and the WSH Council aim to do so through the 10-year marine sectoral plan that we launched recently. Today, I will highlight three strategies outlined in the plan – ensuring effective risk management, building stronger capabilities and awareness, and putting in place intervention programmes.

### **Effective Risk Management**

6 First, the implementation of effective risk management. Companies that adopt and implement effective risk management increase their ability to manage the risks at their workplaces. I believe that this is the cornerstone to prevent deaths, injuries and ill health. Effective risk management also leads to enhancement of knowledge for all who are involved such that potential hazards are identified and eliminated. Where the hazards cannot be eliminated, proper control measures should be put in place to minimise the risks.

7 While we know the importance of this, in a large yard like Keppel Shipyard for example, this is a constant challenge. You work with varying stakeholders from foreign ship owners to different subcontractors to thousands of workers from different backgrounds. But, as a large company, you are also in a strong position and have the resources to make transformational changes to your processes. One example is Keppel Shipyard's pipe-shop. The new semi-automated pipeshop has reduced the need for workers to manually handle the pipes, hence, minimising exposure to hazards. It has also improved the average productivity index for pipe fabrication by 45% - a good boost to our national productivity efforts.

8 Large companies like Keppel can also influence those who work for or with you to adopt proper risk management. Last year, the Keppel Offshore and Marine group

committed to helping all your subcontractors achieve bizSAFE<sup>2</sup> Level 3, which means implementation of risk management, by 2012. I am pleased to note that 100% of Keppel Shipyard's resident subcontractors have already attained this standard, way ahead of the target. As part of the Safety Excellence 2015 initiative that Keppel Shipyard is announcing today, it has also committed to help its subcontractors develop further to reach bizSAFE Level 5 and put in place comprehensive WSH management systems. To this end, it is helping the subcontractors through various training and skills-upgrading programmes.

9 Several other large shipyards, such as the Sembcorp Marine group, ST Marine and Drydocks World, have also pledged similar initiatives. We are also bringing on board other medium and smaller size companies. I encourage all companies to adopt risk management. As we do so, we will be able to address the gaps in the implementation of control measures. It will go a long way to help us prevent incidents in the marine sector.

### **Building strong WSH capabilities**

10 Helping companies develop better processes and measures is not enough. We must also bring on board every worker on the ground as their action will make the biggest difference. This brings me to the second front on building stronger capabilities amongst our workers so that they know what they must do to stay safe.

11 The Keppel Safety Training Centre aims to do just this. It will provide Keppel Shipyard's workforce, including subcontractors, with a conducive and hands-on learning environment. The Centre offers a realistic workplace environment through simulations of actual conditions and a variety of classroom activities and E-learning sessions to engage the workforce and build their competencies. The Training Centre offers the 13 Workforce Skills Qualifications or WSQ Marine Trades courses co-developed by the

---

<sup>2</sup> bizSAFE is a WSH Council programme that helps Small and Medium Enterprises develop their WSH management capabilities in a 5-step process. More information can be found on [www.wshc.sg](http://www.wshc.sg).

Workforce Development Agency and the WSH Council. While close to 3,500 workers have been trained in these courses since April 2008, centres like this will help to extend this training to benefit even more workers. In addition, this training complex also has a special focus on height safety, confined space safety, electrical safety and material handling safety. I am pleased to be here today to launch this first-of-its-kind centre that is run by a company for its in-house employees.

12 On an industry level, the Association of Singapore Marine Industries is developing the Marine Industries Training Centre (MITC) to focus on training for the workers of small and medium-size companies who cannot set up their own training centres. ASMI will announce more details later.

### **Intervention Programmes**

13 The third front that I want to touch on is the need for intervention programmes. Checks are necessary to motivate the workers to follow safety rules. At the same time, we also need proactive programmes to eliminate or reduce risks at workplaces before they result in accidents. One such effort is the Marine Industries Safety Engagement Team (MIndSET) spearheaded by ASMI. This is an industry driven and self regulatory programme taking a proactive approach towards enhancing WSH performance. It focuses on checking work areas that contribute to most incidents in the marine sector such as work at height and lifting activities. Keppel Shipyard kicked off the first visit in February focusing on Work at Height and Working in Confined Spaces. To date, four other shipyards have been visited. Good practices and areas of improvement were identified during inspection and were shared with shipyard's management as well as the safety personnel following the visit. I am glad to know of the marine sector's proactivity in such efforts.

14 On the enforcement front, MOM will also continue our efforts. We will be launching a series of inspections on shipyards in the month of August. This is one of my Ministry's cluster operations which systematically targets specific clusters of

workplaces based on sectors or geographical locations over a specified period of time. Our Cluster Operations help to achieve deterrence and a greater impact on shaping industry practices. We do so by informing the affected workplaces of MOM's upcoming enforcement activity, urging them to improve safety processes before the inspections that follow a few weeks after. Shipyards should take this opportunity to thoroughly review their work processes as well as encourage all their subcontractors and workers to have measures properly in place.

## **Closing**

15 In closing, let me thank Keppel for being a forerunner in various innovative ways to enhance workplace safety. Besides the focused and worker-centric training centre, your safety leadership and buddy programmes are also good examples. I urge all shipyards to develop similar programmes and support the WSH Council in its implementation of the marine sectoral plan initiatives. Thank you.