

**Speech by Mr Gan Kim Yong, Minister for Manpower**  
**At Keppel Group Safety Convention 2010**  
**At University Cultural Centre, National University of Singapore**  
**On 25 October 2010, 2.30pm**

Dr Lee Boon Yang, Chairman, Keppel Corporation

Mr Choo Chiau Beng, CEO Keppel Corporation

Industry leaders

Distinguished guests,

Ladies and gentlemen,

Good afternoon

1 I am pleased to join you today for the Keppel Group Safety Convention 2010. I applaud Keppel's continued commitment to champion Workplace Safety and Health across all your business units since your first Keppel Convention three years ago in 2007. Such initiatives will go a long way to realise Keppel's aspiration to be one of the safest and most progressive companies to work for.

2 The Offshore and Marine Group is one of Keppel Corporation's key business units that employs a large proportion of your workforce. I will therefore focus my remarks today on the marine sector. My Ministry is also paying particular attention to this sector because of its higher rate of fatalities and other work-related accidents.

## **Progress in the Marine Industry's WSH Performance**

3 I am glad that the marine industry is making steady progress to make work safer and healthier for our workers. In the first half of this year, there were 3 fatalities, less than half that of the same period last year. It has also seen a 45% reduction in the man-days lost per million man-hours worked due to work incidents, from 247 to 136. As work in the marine sector becomes safer with fewer interruptions due to work incidents, it will contribute to productivity gains for the sector.

## **MOM inspections unearth areas for improvement**

4 While these are positive developments, there were still 3 unnecessary deaths, we must continue to press on to make the industry safer for our workers. Recently, my Ministry carried out a Cluster Operations (COPS)<sup>1</sup> for the marine sector in August and September. From the inspections of over 100 shipyards, we noted that, while the yards have systems and processes in place, there are pockets of non-compliance. In the two-month exercise, we issued more than 100 warnings, many for poor implementation of risk management control measures or failure to comply with safety procedures on the ground. Such non-compliances are found in routine shipyard work like working at height and lifting activities where fatalities are most common. Similarly, marine fatalities happened in regular jobs like dismantling a

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<sup>1</sup> Cluster Operations (COPS) is a workplace inspection programme in which specific clusters of workplaces are selected over a specified period of time. The selected cluster of workplaces was pre-informed to allow them to improve safety and health standards within their workplace prior to the inspections. For the COPS in August, it focused on three work areas in the marine sector – work at height, confined spaces and lifting activities.

hanging scaffold or retrieving a ventilation piping. Such work already has many safety processes and procedures set out and they should be put in place. However, because of the failure to ensure proper implementation on the ground or failure to adopt safety precautions like wearing protective gear, incidents involving such work will still occur.

5        These findings call for a continuous push for the safety and health regime to be even better managed on the ground and to ensure that the safety culture permeate through all levels within the yard. While it may be a challenge to manage every single risk and ensure compliance down to the smallest task in your workplaces and to the last worker on the line, it is possible and achievable. We need to constantly push for the right WSH practices across all your subcontractors, your workers and even external parties like crew members on board the ships that enter your yards.

### **Implementing WSH 2018 for the Marine Sector**

6        To help guide industry efforts in raising safety standards, my Ministry and the WSH Council launched the WSH 2018 marine sectoral plan earlier this year. We are certainly off to a good start today with Keppel Group launching your very own Keppel WSH 2018 to steer group-wide efforts. Aligning your corporate efforts to national goals is the right way to go, and Keppel serves as a model for other companies especially those in the marine sector. Adopting the key principles to manage risks, build capabilities and intervene effectively is the right step forward. Let me elaborate on how these key principles will guide the Keppel Group and the industry as a whole.

## *Enhancing Risk Management and WSH Capability Building*

7 I spoke earlier about the failure to ensure effective risk management in many of the workplaces inspected. Risk management is the cornerstone in our WSH framework. This needs to be an ongoing process with commitment from all of us – from management down to the last worker on the ground. It cannot just be a paper exercise with cursory changes or intermittent reviews. It must be done all the time by every single employee. Your employees can give you valuable feedback to improve your risk management process. This is where training comes in - to build the right capabilities and skills in every employee as well as your stakeholders so that they can help you carry out risk management as thoroughly as possible, to achieve a win-win outcome for workers and employers.

8 I am happy to note that Keppel Offshore and Marine group is making a serious effort to show how this can be done. For example, all your subcontractors have implemented risk management and attained bizSAFE Level 3 this year, way ahead of your earlier target of 2012. You have raised the bar to encourage your subcontractors to reach bizSAFE Level 5 and adopt comprehensive WSH management systems for the works carried out. In terms of building capability amongst your workforce, the Keppel Safety Training Centre launched in June this year has trained some 4,500 workers in four months.

## *Implementing Intervention Programmes*

9        Keppel's progress is indeed remarkable. It is also important to ensure this is sustained and that the quality of the risk management conducted improves over time. Some of the steps that Keppel and the industry can take include conducting in-house audits to check the quality of risk-management conducted. You should also investigate all incidents as well as near misses in your yards to identify broader systemic failures. Doing so will also send the right signal to guide behaviour of your workforce - to be alert and mindful of WSH risks and how they should manage them all the time. Keppel can also broaden the training framework to include non-trade specific competencies such as communication and coordination skills to help supervisors and ship-repair managers ensure safety more effectively.

10      Having in-house inspections and investigations will not be enough if we want the entire industry to progress. Therefore, programmes like MIndSET, or the Marine Industry Safety Engagement Team, play a big role. Shipyards can learn from one another through these cross shipyard visits. I understand that Keppel is an active industry member in MIndSET and that, to date, more than 10 visits have been conducted under the programme. I call on the industry to do more here – to bring more shipyards on board MIndSET and include large, medium and smaller shipyards. Steer your visits to look into the work of subcontractors and even that of crew members, if it affects overall shipyard safety. Where possible, share with one another how incidents occur and pick up critical learning points on how similar cases can be avoided. This way, we will progress together as one industry.

### **A WSH Leader for the Marine Industry**

11 As the sector develops, I believe Keppel can take on an even stronger leadership role in WSH to help the industry as a whole make good progress in WSH. Your senior management has consistently placed WSH as a key priority in your corporate agenda, as shown by the \$40 million that you have invested in safety last year. By launching Keppel's WSH 2018 initiative today, you would also be the first organisation that has aligned a corporate mission to the national WSH vision.

12 Keppel can demonstrate its leadership in three ways. First, Keppel can share your experience. For example, Keppel's integrated WSH training facility is the first of its kind in Singapore. Other industry players can learn from your experience in setting up such a training facility. You can also share how you institute appropriate governance structures, allocate resources as well as put in place WSH strategies.

13 Second, Keppel can extend your reach. Having committed to the "Pledge for Zero" programme, Keppel must strengthen your stakeholders' involvement in WSH by encouraging smaller shipyards under your wings to pledge their commitment to zero injury as well. As a large conglomerate, your influence is extensive. WSH messaging can be included in every touch point that you have. Incorporate WSH in your daily dealings such that the Keppel name becomes synonymous with safety.

14 Third, Keppel can help facilitate improvements. You can consider leveraging on the learning infrastructure of the Keppel Safety Training Centre to enhance peer-to-peer sharing, as well as developing inspection and incident case studies within the Centre. You can guide the development of a sector-wide programme to drive

projects on marine safety improvements that will ultimately benefit all stakeholders in the industry.

## **Conclusion**

15 Let me end by commending the Keppel group once again for your outstanding efforts in WSH. Besides being honoured at our annual national WSH Awards, I understand that the Keppel Nantong project in China also won the Nantong Safety Excellence Award for achieving the highest safety and health excellence standards. Keppel FELS also won the Achievement in Safety award at the Lloyd's List Asia Awards 2010. I hope to see continued progress and success from Keppel in the years ahead. With that, thank you and I wish you all the best in your WSH 2018 journey. Thank you.