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**SPEECH BY DR KOH POH KOON, SENIOR MINISTER OF STATE
FOR TRADE & INDUSTRY AT PRODUCTIVITY IMPROVEMENT
FORUM & LAUNCH OF PRODUCTIVITY CERTIFICATION
FRAMEWORK ON 13 NOV 2019, 9.45 AM, AT TRADE
ASSOCIATION HUB**

Distinguished guests,
Ladies and gentlemen,
Good morning,

Introduction

1. It is my great pleasure to join you here today at the Productivity Improvement Forum (PIF) 2019. The PIF is an important annual event for the industry to celebrate the progress of productivity improvement initiatives in the Process Construction and Maintenance (PCM) industry as well as the Energy and Chemicals (E&C) sector. This year marks an important milestone in our effort to develop a highly competitive process industry as we launch the Productivity Certification Framework, which provides formal certification for the adoption and implementation of productivity initiatives. A big thank you to all of you here today for helping to make this possible.

**Commitment from the Government and industry in driving
productivity to meet future demands**

2. The E&C sector is an important pillar of our manufacturing sector. Jurong Island is home to over 100 international companies with cumulative investments of over S\$50 billion. Today, Singapore ranks top 10 globally by chemical exports volume. This is testament to the high reliability and quality of the services provided by our PCM sector. The PCM sector has been instrumental in enabling our companies to launch and execute maintenance and turnaround projects in a safe, efficient and cost-effective manner.

3. With the rapid advancement in technology, uncertainties in global operating environment and tightening of emission regulations, we are committed to ensure that Singapore stays relevant to market development and continues to deliver value to businesses. The E&C Industry Transformation Map (ITM), launched in October 2017, has identified productivity as one of the key value propositions of the local PCM sector to take advantage of opportunities amidst industry transformation.

PCM Management Committee's productivity efforts

4. The PCM Management Committee, comprising industry partners from the E&C and PCM sectors, Trade Associations and Chambers (TACs), as well as various government agencies, was set up to drive various productivity initiatives focusing on three main categories – project, mechanisation and people.

5. On project productivity, the goal is to improve planning and execution through the adoption of project management tools. Jointly developed by the Texas-based Construction Industry Institute (CII)

and National University of Singapore (NUS), the Activity Analysis (AA) tool uses data analytics to help workers identify opportunities to increase the time spent on productive work. The application of the tool has resulted in quick and cost-effective productivity gains for companies.

6. On mechanisation, the PCM Management Committee has developed a database, which identifies key process areas for automation and suitable mechanised tools for the PCM sector. With the help of the mechanisation database, many leading PCM companies have adopted mechanised tools.

7. Over the past year, the PCM Management Committee has also rolled out 13 new craft-specific Workforce Skills Qualification (WSQ) courses, in line with Ministry of Manpower's (MOM) revised criteria for Higher Skilled (R1) workers for the sector. This provides an attractive and structured pathway for workers' career growth.

Establishment of a certification framework to quantify productivity improvements

8. While good progress has been made, I encourage more companies to adopt these initiatives to upgrade and raise their competitiveness. To recognise the PCM companies for their efforts in adoption of the initiatives, the PCM Management Committee has developed the Productivity Certification Framework. Under the framework, participating companies will be evaluated and benchmarked based on their productivity efforts and improvements in

the aforementioned initiatives. This will enable companies to quickly understand their gaps and identify areas of improvements.

9. Besides recognising the effort of companies in adopting productivity initiatives, the certification also enhances business opportunities for PCM companies, as E&C plant owners will be more likely to engage certified PCM companies for construction and maintenance contracts in Singapore.

10. I understand that Singapore is the first country in the world to develop this certification framework, which will serve as the industry's yardstick for productivity. I am certain that the Productivity Certification Framework will serve as a cornerstone on which further productivity efforts will be built upon.

Tripartite collaborations are in place to further equip workers and drive productivity

11. Last but not least, I would like to give credit to the PCM Management Committee for taking the lead in developing the PCM sector. I am heartened to see the strong partnership between the industries, associations and government agencies. And I am confident that as part of this partnership, we will continue to take care of all workers across ranks, domains and origins. As companies progress, we must bring our workers along and share the productivity gains with them so that they can enjoy better wages, welfare and work prospects.

12. As part of the broader efforts to help our workers keep pace with industry transformation, the Labour Movement has introduced a new initiative known as Company Training Committees (CTC). With the CTCs in place, unions will partner company management to identify training and skills that workers require and drive company-based training programmes. The CTCs accelerate the acceptance of technology to benefit both businesses and workers. Through these committees, companies can gain a better understanding of their transformation plans and workers' training needs to acquire relevant technology.

13. Besides skills upgrading, NTUC and our unions are also keen to work with companies to better protect our workers. As mentioned at last month's NTUC National Delegates' Conference, we are exploring new and innovative ways to strengthen workers' protection. I hope that our unionised companies will support our plans and be the first-movers so that we can strengthen our workers' employment and employability.

Conclusion

14. In closing, I would like to once again thank the PCM Management Committee and your team for your contribution. Together, I am confident that we will be successful in taking Singapore to the next of manufacturing excellence. I wish you all every success. Thank you.