

ENHANCING VALUE PROPOSITION FOR SINGAPORE'S AIR CARGO & LOGISTICS INDUSTRY



Despite the sector being well perceived by the employees, industry attrition is high in the Singapore Air Cargo and Logistics sector. Workers cite limited career development opportunities and remuneration as key reasons for attrition. Sharing its findings of the manpower study for the air logistics industry commissioned by CAAS at the annual CAAS Air Cargo & Logistics Industry Dialogue Session 2012 held at the Crowne Plaza Changi Airport on 18 September 2012, Mercer noted that “the industry needs to enhance career development opportunities, address pay competitiveness to attract locals to the industry, reduce workforce attrition losses and further enhance the value add of the industry to address the manpower bleeding problem”.

The key to solving this problem strategically is to boost collaboration across stakeholders, such as government bodies, industry associations and sector companies, to further improve industry value-add by adopting automation and information technology to enhance

productivity, as well as exploring the streamlining of processes for increased efficiency and job redesign.

Mr Tay Tiang Guan, Deputy Director-General of CAAS, urged industry participants at the meeting to enhance their value proposition in terms of quality of services, cost efficiency of processes, and productivity of resources.

He also shared some of the initiatives undertaken by various government agencies – such as CAAS, EDB, IDA and Singapore Customs – to raise the productivity of the sector, enhance efficiency in the nation's air cargo processes, and develop new capabilities to capture new and higher value business segments.

Under the Call-for-Collaboration launched by CAAS and IDA last year, the government agencies awarded funding early this year to three consortias led by Innosys, Kewill and Visiflex for their e-freight solutions. In May this year, the Technical Committee under the leadership of Steven Lee, Chairman SAAA, completed the development of the data standards for e-freight@Singapore. The e-freight@Singapore solutions are expected to go live next year.

At the session, Singapore Customs also highlighted its trade facilitation initiatives in particular the Advance Export Declaration (AED) regime, which will leverage infocomm technology to perform risk-based assessment on export shipments and ensure smooth and secure trade. The e-freight@Singapore solutions which are built to capture data@source using a common set of data and messaging standards, are well positioned to support the AED regime.

Longer term infrastructure plans and emerging market opportunities were also covered during the half-day event. CAAS and the relevant agencies are working on a major project to define the Next Generation Air Cargo Checkpoint. This project aims to review and close gaps in the existing air cargo checkpoint and conceptualise a future air cargo checkpoint model for implementation in Singapore so as to ensure seamless trade facilitation and future sustainability. Changi Airport also shared its plans to further develop the perishables sector, which represents 11% of the total cargo volume handled through Changi.