

MARINE CIRCULAR

21st May 2010

PILOTAGE – REVISION OF RATES

1. The maritime industry in 2007/2008 saw an accelerated attrition of harbour pilots into other marine sectors.
2. It is also increasingly difficult to source for suitable candidates as not many are attracted to a career as a mariner which provides the pre-requisite sea time necessary for training as a harbour pilot. This is further compounded by the lead time to train pilots to entry level and thereafter through the various higher grades to handle larger and more complex vessels.
3. It is important to have sufficient harbour pilots to ensure that service levels to ships are not impacted adversely.
4. In 2008, to address these issues, significant adjustments were made to the remuneration of harbour pilots in order to retain trained harbour pilots and to enlarge the pool of harbour pilots. A programme has also been put in place to sponsor local candidates through nautical school to secure a yearly pipeline of entrants into the pilotage pool.
5. Operating costs have increased largely as a consequence of adjustments to remuneration and investment in training and it was intended in 2009 to revise the pilotage rates by 11.5%. However, this was put on hold due to the then prevailing economic situation.
6. Industry consultations were held with a view to implement an increase of 11.5% with effect from 1st July 2010.

7. After taking into account feedback received during the industry consultations, the increase would be deferred and phased as follows:

1st August 2010 6.0%

1st January 2011 a further 5.5%

Both increases will use PSAM's current pilotage rates as their baseline.

8. Please be assured of our commitment to provide services of the highest level and continuing initiatives to recruit, retain and build a sustainable pool of harbour pilots to meet the demands of the industry.



Roger Teo Soon Huat
Senior Pilotage Manager