The challenge to Singapore’s long-held position as a transportation hub must be one of the biggest issues the Republic has faced in recent times.

PSA, Singapore Airlines (SIA), Changi Airport, Valuair and Neptune Orient Lines (NOL) were corporate names that hogged the headlines and received more than the usual attention from the government and analysts monitoring their progress.

But these home-grown transport-related companies alone did not create the stir; it was the foreign ones like Maersk and Pelepas, Qantas and Air Asia which gained some attention for rocking the boat.

The onslaught of foreign challengers on Singapore’s established hub status, both as a container transhipment port and an air centre, spurred some mindset change at home with a proactive government ensuring that Singapore weathered the storm.

Both in aviation and shipping, consolidation and the rise of new regional ports and airports brought some bad weather to Singapore. Add to this the regional government restrictions and bad weather to Singapore. Add to this the regional government restrictions and bad weather to Singapore.

This would be dramatically different in the 1960s and 1970s, when regulation was inhibiting growth and freedom of choice,” he tells RT.

SIA now faces the prospect of other airlines like Australia’s Qantas and Dubai’s Emirates making inroads into its markets. The government made it clear that SIA will have to compete as Changi Airport opens itself to as many airlines as it can encourage to land on its runways.

The aviation hub status has also made Singapore an attractive logistics hub and supply chain management nerve centre. According to the Economic Development Board (EDB), new projects in this sector will contribute $405 million in annual business spending, when they are fully implemented.

Supporting both the maritime and aviation sectors is the logistics industry, which contributed 8 per cent of GDP last year. The well-planned and executed development of airport and port operations, along with the express freight market, has brought most of the world’s biggest logistics and supply chain management companies to Singapore.

They have continued to pour millions of dollars into their operations here, with many picking Singapore as regional headquarters.

The express freight market has global giants like FedEx, DHL and UPS anchoring Asian operations here.

The country’s commitment to free trade, the simple procedures for import and export, and the openness to attracting the best talent, make DHL’s Singapore operations an especially successful operation within this region,” says DHL Singapore Express general manager Teo Siew Leng.

The headline: Keeping the transport hub edge