

### **Starting up**

- List five ways that automation/robots have changed life and work in the last 25 years.
- Then make five forecasts about how they will affect life and work in the next 25 years.
  
- Read through the whole article. Then do the exercise below.

### **Reading 1**

Read the article again to find:

- a) a shipping consultancy
- b) its managing director
- c) the city where he works
- d) a port near there
- e) two shipping companies
- f) two container ships
- g) two possible areas/countries for manufacturing goods for western Europe in the future
- h) a possible country for manufacturing goods for the US and Canada in the future

## Tech and changing labour costs on course to transform shipping

Alterations to the world's trade patterns could bring just as much change to how goods move around the world as any technology, according to Tim Power, managing director of London-based Drewry Shipping Consultants. Traditionally, manufacturing has taken place in Asia where labour costs are lower. This has driven a growth in container shipping over decades as suppliers move goods long distances to markets. But expected advances in robots should make the difference in worldwide labour costs far less of an issue in future, says Mr Power. "What has driven the growth of container volumes from the beginning is offshoring of manufacturing," he says.

If labour costs are no longer a factor, he adds, then trade may alter too. At the heart of all these changes are the huge container ships alongside the quays at London Gateway. Container lines purchased bigger vessels to benefit from efficiencies of scale when moving containers between Asia's manufacturing hubs and Europe and North America. Among the vessels regularly calling at London Gateway is the Cap San Artemisio, operated by Germany's Hamburg Süd, measuring 333m in length, 48m in breadth and capable of carrying 9,600 20ft containers. The port is also designed to handle new, even larger vessels such as Mediterranean Shipping Company's Gülsün, launched this year and capable of carrying 23,756 20ft boxes.

Ports around the world have rushed to buy taller cranes and introduce more efficient container-handling systems to cope with such vessels. But Mr Power says the "biggest implication" of the potential decline in the importance of labour costs is that far less trade will be intercontinental, and far more will be shorter-distance, regional traffic. Manufacturing for western Europe could be focused in eastern Europe or Turkey, while manufacturing for the US and Canada is likely to centre on Mexico.

That will put the emphasis on vessels that are quick to load and unload, rather than ones that can carry boxes at minimal cost over thousands of miles. "You need more smaller ships, rather than very big ones, because they're doing shorter trips," Mr Power says. Others are sceptical that trade patterns will change radically. Much of the produce that London Gateway handles, for example, is food travelling in refrigerated containers from the tropics and southern hemisphere.

But if there was a shift away from long-distance traffic, it would have significant implications for shipping. Smaller vessels making shorter journeys between ports could prove easier to convert to electric propulsion than the intercontinental giants, which are likely to rely on some kind of hydrocarbon fuel for the foreseeable future. A shrinking in vessel size could also revive the fortunes of river ports that have been neglected as the ever-bigger vessels were unable to make river voyages. Such a shift could bring goods closer to the big population centres often found on rivers and eliminate some environmentally-expensive, on-land movements of goods by truck.



### Vocabulary – synonyms

Look at the whole article to find words and expressions with these meanings, as used in the article.

(The number of letters is shown in brackets.)

#### Paragraph 1

- 1 changes (11)
- 2 work and the people who do it (6)
- 3 developments (8)
- 4 making things with 'intelligent' machines (8)
- 5 something important or controversial (5)
- 6 when goods are made abroad that were previously made in a particular country (10)

#### Paragraph 2

- 7 moving goods more cheaply in large numbers (12, 2, 5)
- 8 centres for particular activities (4)
- 9 ships (7)
- 10 a noun related to 'broad' (7)

#### Paragraph 3

- 11 consequence (11)
- 12 possible (9)
- 13 fall (7)
- 14 centred (7)

#### Paragraph 4

- 15 not believing something (9)
- 16 by a big amount (9)
- 17 at a low temperature (12)

#### Paragraph 5

- 18 change (5)
- 19 power (10)
- 20 reducing in size (9)

**Grammar – first and second conditional**

For each item 1-8, write two sentences with, a) the first conditional and b) the second conditional, using correct forms of the words given, as in the example.

- 1 If / shift away / long-distance traffic, it / have significant implications / shipping
  - a) *If there is a shift away from long-distance traffic, it will have significant implications for shipping.*
  - b) *If there was a shift away from long-distance traffic, it would have significant implications for shipping.*
- 2 Labour costs / fall if robots / replace most / workforce
- 3 If / shift / manufacturing / Asia / Turkey, there / more truck traffic / less shipping traffic
- 4 If smaller ships / used, upriver ports / become / important
- 5 Times / loading / unloading / decrease if load sizes get smaller
- 6 If robots replace most workers, / be many implications for society
- 7 Even if robots become important, this / not affect trade / refrigerated food products
- 8 Damage / environment / decrease if / number / truck journeys goes down

**Reading 2**

Which is the correct 'takeaway' from the article?

In the next few years, robots used manufacturing may...

- a) bring big social changes.
- b) change the quantities of particular goods shipped for long distances.
- c) mean that manufacturing returns to former industrial countries.

**Further discussion / Group work**

- 1 'Such a shift [in shipping patterns] could bring goods closer to the big population centres often found on rivers and eliminate some environmentally-expensive, on-land movements of goods by truck.' Would you choose which products to buy in relation to how they have been transported and the effect of this on the environment? Why/Why not?
- 2 Smaller ships, for example for goods, could be powered by electricity or other forms of alternative energy. Forecast the year when more than half of a) ships will be powered in this way, b) cars will be powered like this and c) planes will be powered like this. Give reasons.

**ANSWER KEY****Reading 1**

- a) Drewry Shipping Consultants
- b) Tim Power
- c) London
- d) London Gateway
- e) Hamburg Süd, Mediterranean Shipping Company
- f) Cap San Artemissio, Gülsün
- g) eastern Europe, Turkey
- h) Mexico

**Vocabulary**

1 Alterations	6 offshoring	11 implication	16 radically
2 labour	7 efficiencies of scale	12 potential	17 refrigerated
3 advances	8 hubs	13 decline	18 shift
4 robotics	9 vessels	14 focused	19 propulsion
5 issue	10 breadth	15 sceptical	20 shrinking

**Grammar**

- 2 a) Labour costs will fall if robots replace most of the workforce.  
b) Labour costs would fall if robots replaced most of the workforce.
- 3 a) If there's a shift of manufacturing from Asia to Turkey, there will be more truck traffic and less shipping traffic.  
b) If there was a shift of manufacturing from Asia to Turkey, there would be more truck traffic and less shipping traffic.
- 4 a) If smaller ships are used, upriver ports will become more important.  
b) If smaller ships were used, upriver ports would become more important.
- 5 a) Times for loading and unloading will decrease if load sizes get smaller.  
b) Times for loading and unloading would decrease if load sizes got smaller.
- 6 a) If robots replace most workers, there will be many implications for society.  
b) If robots replaced most workers, there would be many implications for society.
- 7 a) Even if robots become important, this will not affect trade in refrigerated food products.  
b) Even if robots became important, this would not affect trade in refrigerated food products.
- 8 a) Damage to the environment will decrease if the number of truck journeys goes down.  
b) Damage to the environment would decrease if the number of truck journeys went down.

**Reading 2**

b)

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