

**THE SIXTY - FOURTH
ANNUAL REPORT
OF THE**

**PORT
WELFARE
COMMITTEE**

**HONG KONG
2012 – 13**

**PORT
WELFARE
COMMITTEE**

Port Welfare Committee

(1 April 2012 – 31 March 2013)

- Chairman :** Mr. Timothy Scott Huxley - Hong Kong Shipowners Association
- Members :** Capt. Umesh Lulla - Hong Kong General Chamber of Commerce
- Mr. Simon Buhelt Frank - Hong Kong General Chamber of Commerce
- Capt. TANG Wai-tong - Merchant Navy Officers' Guild Hong Kong
- Ms. YIP Yan-pik - Hong Kong Seamen's Union
(to 29 November 2012)
- Mr. YANG Kaiqiang
(from 30 November 2012)
- Dr. TSUI Lok-kin, Edwin - Department of Health (ex-officio)
- Ms. LUK Wai-ling, Melody - Labour Department (ex-officio)
(to 20 March 2013)
- Miss BUT Wing-tung, Christine
(from 21 March 2013)
- Mr. WONG Sai-fat - Marine Department (ex-officio)
- Secretary :** Miss LEUNG Oi-yiu, Shirley - Marine Department (ex-officio)

HONORARY AUDITOR

Treasury Accountant/Internal Audit
Marine Department

TERMS OF REFERENCE

1. To co-ordinate on behalf of Government arrangements in Hong Kong for the social and recreational welfare of all serving seamen, with the exception of those who are residing in Hong Kong. The term “serving seamen” is construed to mean “those seamen visiting the port and those temporarily residing here, consequent upon discharge for health or other reasons, awaiting re-engagement or repatriation”.
2. To allocate any grants or monies which the Committee may receive from all sources for the social and recreational welfare of seamen.
3. To obtain information on developments and facilities in connection with seamen’s welfare in other ports, and to take appropriate action in the light of this information.
4. To take such other action as it may see fit to promote the welfare of visiting seamen, including action in conjunction with other social and recreational bodies.
5. To publish an annual report and audited accounts.

REPORT

Introduction

The membership of the Port Welfare Committee is drawn from representatives of the local shipping community and Government departments which are concerned with the welfare of visiting seafarers on board ships calling at Hong Kong.

Objectives and Subventions

2. The purpose of the Committee is to ensure that proper arrangements are made to safeguard the welfare of and provide recreational facilities for visiting seafarers of all nationalities. This is achieved by providing financial support to The Sailors' Home and Missions to Seamen and the Danish Seamen's Church, Hong Kong. These organisations derive their income from the services they offer, such as restaurant facilities. In addition, the Committee's subventions are one of the sources of funds for them.

Finance

3. The Committee relies upon donations from the shipping and commercial community for its financial resources. The total amount of donations collected in 2012 – 13 was \$374,200. In the same year, a subvention of \$350,000 was granted to The Sailors' Home and Missions to Seamen and \$35,000 to the Danish Seamen's Church, Hong Kong.

Shipping

4. The Port of Hong Kong is the undisputed world leader in container handling. It is the premier gateway for trade with the territory of Hong Kong and Southern China as well as a key transportation hub for Asia as a whole. In 2012, about 61 970 ocean-going vessels entered and cleared the Port of Hong Kong and 23.1 million TEUs (20-foot containers) were handled in Hong Kong, representing a drop of 5.2 % over 2011. The percentage of ships staying in the Port for less than two days dropped slightly from 79% in 2011 to 78% in 2012.

Employment

5. The shortage of manpower is a subject of concern to the maritime industry in Hong Kong. The government and the industry have joined hands to train up local persons to help alleviate this shortage. A Seagoing Training Incentive Scheme was set up in 2004. An initial funding of \$9,000,000 was allocated to fund the Scheme. In 2009, an additional amount of \$19,200,000 was granted by the government to continue its operation for another four years. Since the launching of the Scheme in 2004, 255 young persons had joined the Scheme as at 31 March 2013. Also as at 31 March 2013, 77 deck and 54 engineer cadets have obtained their Class 3 Certificate of Competency (CoC). Out of these 131 Class 3 CoC holders, 1 deck officer has passed Class 1 CoC examination, 8 deck and 11 engineer officers have obtained their Class 2 CoC and among these 8 deck and 11 engineer officers, 3 deck officers and 2 engineer officers have obtained Class 1 CoC. The result was encouraging.

The Sailors' Home and Missions to Seamen

6. In 2012, the activities of the chaplain and ship visitors of The Sailors' Home and Missions to Seamen (The Mission) increased with over 5 000 ships' crews being visited, providing welfare support and valued contact with crew and officers aboard. The visits took place in the anchorage by use of the Mariners' Club launch and through the work of their shore based staff at Kwai Chung and Ocean Terminal. All seafarers are visited regardless of race, creed or colour; all are treated equally and valued as fellow members of the maritime community. The services provided at these visits range from pastoral counselling, legal advice, contact with home, contact and communication with the shipping company or management (often overcoming language difficulties), transport to and from their seafarers' centres, shopping, sightseeing and off the vessel BBQs, religious services aboard particularly after a death on board, ship blessing and many other services.

7. As well as its daily visiting of ships, The Mission also actively covers all the hospitals in Hong Kong and the New Territories. The Mission visits all seafarers in hospital, helping them with communication to home, and providing for them anything which they may need during their stay and recovery. It is particularly important to visit seafarers in hospital when other patients are receiving family and friends nearby, as the seafarers can feel even more isolated than normal. A visit from the chaplaincy staff can help the seafarers feel wanted, respected and not alone. The Mission had been visiting a young Chinese seafarer who had been diagnosed with osteosarcoma of the lower back since July 2012. She was receiving treatment in the Queen Mary Hospital. The Mission paid regular visits to the Chinese seafarer. The Mission also provided assistance to her Indian husband, who is also a seafarer, with free accommodation at the Mariners' Club as he could not afford his stay

in Hong Kong. The Mission also managed to get visa extensions for her husband. The Mission continues to visit the Chinese seafarer in hospital but is sad to note that the cancer cannot be controlled by both radiotherapy and chemotherapy. It was likely that the two seafarers would have to stay in Hong Kong for some time. The Mission continues to care for them as they are seafarers here in Hong



Kong and have no one else to rely on. Of course nothing can replace a family member, and over the last year The Mission has hosted many families of seafarers who are visiting Hong Kong to see their loved one in hospital. In 2012, The Mission conducted 302 separate hospital visits and cared for 68 seafarers who were hospitalized in Hong Kong. Seafarers from 21 countries were taken to hospital in Hong Kong during the year. The largest numbers were from Philippines, then China, closely followed by India and Kiribati.

8. The Mission operates two Mariners' Clubs, one in Tsim Sha Tsui (TST) which is in the heart of the tourist area of Kowloon and the second is located right in the centre of the "container port city" of Kwai Chung. The Kwai Chung facility is very accessible for those seafarers whose vessels are often only in port for a matter of hours while the TST Club is an ideal location for those seafarers who are leaving or joining their vessels who require accommodation in Hong Kong. The building is close to the shopping malls, the night markets and the downtown activity of the tourist nightlife. In 2012, 32 313 active seafarers used the accommodation at the TST Club for a night stay or more. Of these the largest groups by nationality were from the Philippines followed by Chinese, Indian, Myanmar, Ukraine, Russia and Kiribati. The number of seafarers staying at the TST Club has risen for the fourth year in succession. This is perhaps in part a symptom of the shipping industry, as The Mission still offers shipping companies one of the cheapest places to accommodate their seafarers in Hong Kong.

9. With higher occupancy the operation of the TST Club becomes more financially affordable and less of a drain on the reserves of The Mission. The Mission would actively encourage more shipping companies to place their seafarers with The Mission when they are in need of accommodation in Hong Kong. Not only does it help The Mission's operation and sustain this facility for the maritime industry of Hong Kong, it also benefits the seafarers. With its local knowledge and understanding of the needs of seafarers, The Mission can make seafarers stay more homely and welcoming compared to any commercial hotel. Alongside those seafarers who stay at the TST Club, The Mission also has many seafarers who visit the TST and Kwai Chung Clubs whilst their ships are in port. The two Clubs were used by 12 751 seafarers throughout 2012. Putting all these together, The Mission provided facilities for 45 064 local and international seafarers during the year of 2012.

10. As with 2012, the future challenges for The Mission will be to try to improve the services provided for all seafarers who visit Hong Kong. The Mission will try to increase the number of ships that it visits, although turnaround times of ships in Kwai Chung mean that often seafarers are unable to gain any realistic shore leave and this makes the work of the ship visitor even more vital for the seafarers. The Mission will continue to keep up its high visitation rate of ships at anchor, and where possible offer the use of the launch to give a chance of shore leave to the seafarers. After nearly 20 years in service, it is time to replace The Mariners' Club launch. A big challenge will be to raise the money needed for this replacement. An estimate of the like for like replacement will be in the range of HK\$7 million. However, if The Mission wishes in the future to extend the services of the launch to cover the South Lamma anchorage, it will need a different design which would be fit for that purpose. Currently The Mission is working with a committee to assess its requirements and hopes that by autumn it will have a concept that it can go ahead with. Meanwhile fundraising events beginning with a Gala Dinner to celebrate the 150th Anniversary of The Mission will take place on 13th November 2013 at The Sheraton Hotel, it is hoped that the capital expenditure of the launch can be funded by events, grants and sponsorship within Hong Kong and from charity foundations. Due to the imminent opening of the Kai Tak Cruise Terminal, The Mission is exploring ways in which it can serve the seafarers on board the largest of the worlds cruise liners which will call in Hong Kong. The Mission has begun discussions with World Wide Flight Services who are managing the operations at Kai Tak into the possibility of having a drop in centre at the terminal, although numbers of visits are still projected to be 16 in the next year, the significant numbers of seafarers aboard means The Mission must try to either provide a means of access to either its TST clubhouse and services or it must provide services at Kai Tak. The Mission is busily in contact with the cruise liners to assess what they will be doing for their crews on arrival to Hong Kong.

The Danish Seamen's Church, Hong Kong



11. The Danish Seamen's Church in Hong Kong (The Church) operates on various levels. One of its major functions is to make the Danish community, either visiting or living in Hong Kong, feel welcome. Away from their family and friends, The Church offers the Danes a place to feel "at home". It also offers spiritual guidance and whatever practical assistance that may be needed. Especially the seafarers onboard the Danish vessels (both Danish and all other nationalities) value the practical assistance, since they no longer have much time to go ashore. The development over the last couple of years is very clear; the ships have shorter and shorter stays in Hong Kong. This is, of course, making life harder for the seafarers, because they usually do not have the time it takes, to go ashore for shopping or leisure time in Hong Kong. Before, when the ships had over 24 hours in port, the seafarers would have plenty of time for practicalities such as buying electronics and presents, or new DVD's for the ship. This task is now taken over by The Church, so that the seafarers who are forced to stay onboard the ship, still have the possibility to get whatever they need, and in this way, they may feel a bit of freedom, even though they do not have time to leave the ship. This is one of the only ways that the seafarers can get what they need for their personal leisure time activities.

12. The port chaplain and / or the assistants visit every Danish flagged vessel in port in Hong Kong. This way The Church maintain a good relationship with the seamen onboard, and it also delivers newspapers, and often also a lot of different items, which the seamen have asked for beforehand. However, the most important part of the visit is to have the time to talk with the seafarers. With only some 20 people onboard, most seafarers enjoy the time to talk to someone else than the usual, if they have the time. The Church is based in the Mariner's Club in Kwai Chung, where it has its own facilities, also known as The Danish Room. This is an open living room with a homely feeling, for every Danish person or other nationality to visit. The Church provides coffee, soft drinks, different newspapers, books, free internet and Wi-Fi service in this place.

13. The Church is a private organization. The salary of the port chaplain and his two assistants is paid by the Danish Government. All other funds are given as donations by private investors, such as Danish ships, the Danish community and also Scandinavian companies based in Hong Kong. The Christmas Bazaar is a way for private donors to give money to The Church. This is the biggest event of the whole year for The Church, and it takes a lot of preparation and uses a lot of the resources available to The Church.

14. The Church provides a meeting place for the Danish community, both seafarers, Danes living in Hong Kong or tourists, to gather together. This is a place for the seafarers to hang out and relax, and a place for Danes, living in Hong Kong, to start a Danish network, or catch up with other Danes. The Church wants to continue with having this function as a meeting place. It is especially important now that the Danish Consulate has been closed. The Church wants to continue to visit all Danish flagged ships, and offer its services to everyone onboard. The Church also wants to continue to visit seafarers from all nationalities on the Danish ships during their stay in Hong Kong.

15. The seafarers on board the Danish vessels are very fond of The Church. In a questionnaire sent out to all Danish flagged ships visiting Hong Kong last year, 93% of the respondents indicated that The Danish Seamen's Church in Hong Kong had increased their welfare. For the Church, this is a sign that it is important to the seafarers during their stay in Hong Kong.



**List of donors who made donations to the
Port Welfare Committee in 2012 - 13**

Donors

- 1 Aon Hong Kong Limited
- 2 Arrow Asia Shipbrokers Limited
- 3 Chellaram Shipping (Hong Kong) Ltd
- 4 Cheoy Lee Shipyards Limited
- 5 Clarkson Asia Limited
- 6 Frever Enterprise Ltd
- 7 Genting Hong Kong Limited
- 8 Germanischer Lloyd Hong Kong Limited
- 9 Grand Seatrade Shipping Company Limited
- 10 Great Harvest Maeta Group Holdings Limited
- 11 Hong Kong Mid-Stream Operators Association Limited
- 12 Hong Kong Pilots Association Ltd
- 13 Hongkong International Terminals Limited
- 14 Hongkong United Dockyards Limited
- 15 Houlder Insurance Brokers Far East Limited
- 16 Jardine Shipping Services
- 17 K. H. Koo Charitable Foundation
- 18 K. M. Tam International Limited
- 19 KC Maritime Limited
- 20 Keesal, Young & Logan, LLP
- 21 New Asian Shipping Company Limited
- 22 Noble Group Limited
- 23 NS United Shipping (H.K.) Co., Limited
- 24 Orient Overseas Container Line Limited
- 25 Pacific Basin Shipping (HK) Limited
- 26 Parakou Shipping Limited
- 27 Patt Manfield & Co., Ltd.

Donors

- 28 Ruttonjee Estates Continuation Limited
- 29 Santana Shipping Services Limited
- 30 Seaspan Ship Management Ltd.
- 31 South Express Ltd.
- 32 Steamship Mutual Management (HK) Ltd
- 33 Sureness Marine Services Ltd
- 34 Tai Chong Cheang Steamship Co. (H.K.) Limited
- 35 Taiship Company Limited
- 36 Teh-Hu Cargocean Management Co Ltd
- 37 The Hongkong and Shanghai Banking Corporation Limited
- 38 Unique Shipping (H.K.) Limited
- 39 V. K. Hsu and Sons Foundation Limited
- 40 Valles Steamship Company, Limited
- 41 Wallem Shipmanagement Limited

Total donations received in 2012 – 13: \$374,200



PORT WELFARE COMMITTEE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013



HONORARY AUDITOR'S REPORT
TO THE MEMBERS OF PORT WELFARE COMMITTEE (the 'Committee')
(Operated by Marine Department of the Hong Kong Special Administrative Region ('HKSAR'))

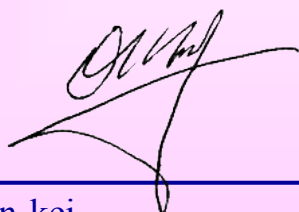
With the appointment of the Treasury Accountant/Internal Audit of the Marine Department as the Honorary Auditor of the Committee according to the Standing Accounting Instruction ('SAI') 1975 (6) of the Government of HKSAR, I have audited the attached financial statements of the Committee set out on pages 2 to 4, which comprise the balance sheet as at 31 March 2013, and the income statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

The financial statements were prepared by the Secretariat of the Committee, which managed the fund of the Committee. In accordance with SAI 1975 (4), the public officer responsible for the management of a non-Government fund shall cause a statement of receipts and payments to be prepared for the fund for each of its accounting periods and at least once a year.

As a public officer independent of the management of the fund of the Committee, I have carried out reviews and tests of the receipts and payments of the fund of the Committee for the year ended 31 March 2013 to ensure that it was managed with adequate internal control and, in particular, I have :-

- a. reviewed whether the payment items are reasonable and appropriate taking into account the nature of the fund; and
- b. obtained certificate from the bank on the correctness of bank balances as at the end of the accounting period for bank accounts separately kept for the Committee.

In my opinion, the financial statements were properly prepared from the books and records maintained, and reflected fairly the receipts and payments of the fund of the Committee for the year ended 31 March 2013.



MAK On-kei
Treasury Accountant/Internal Audit
Marine Department
Date : 27 September 2013

**PORT WELFARE COMMITTEE
INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH, 2013**

	<u>2013</u> HK\$	<u>2012</u> HK\$
INCOME		
Annual donations	374,200	332,800
Bank interest income	2	3
	<u>374,202</u>	<u>332,803</u>
EXPENDITURE		
Grant to The Sailors' Home and Missions to Seamen	350,000	300,000
Grant to The Danish Seamen's Church	35,000	30,000
Commission for donation received through interbank fund transfer	15	-
	<u>385,015</u>	<u>330,000</u>
(DEFICIT) / SURPLUS FOR THE YEAR	(10,813)	2,803
RETAINED SURPLUSES IN THE BEGINNING OF THE YEAR	194,615	191,812
RETAINED SURPLUSES AT THE END OF THE YEAR	<u>183,802</u>	<u>194,615</u>

The annexed notes form an integral part of these financial statements.

**PORT WELFARE COMMITTEE
BALANCE SHEET
AS AT 31 MARCH 2013**

	<u>2013</u> HK\$	<u>2012</u> HK\$
CURRENT ASSETS		
Cash at bank	183,802	524,615
CURRENT LIABILITIES		
Provision for grants	0	330,000
NET CURRENT ASSETS	<u>183,802</u>	<u>194,615</u>
<i>Representing:</i>		
RETAINED SURPLUSES	<u>183,802</u>	<u>194,615</u>

The annexed notes form an integral part of these financial statements.

We certify that the income statement has been properly prepared and reflects the receipts and payments of the Fund.

Approved by the Committee on 27 September 2013



Chairman
(Mr. Timothy Scott Huxley)



Treasurer
(Mr. Simon CHAN)

PORT WELFARE COMMITTEE
ACCOUNTING POLICIES AND EXPLANATORY NOTES TO
THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

Reporting entity

Port Welfare Committee is a committee operated by the Marine Department of the Hong Kong Special Administrative Region. The Committee's registered office is located at 21/F, Harbour Building, 38 Pier Road, Hong Kong.

The Committee is a non-profit making body and its principal activity is to ensure that proper arrangements are made to safeguard the welfare of and provide recreational facilities for visiting seafarers of all nationalities.

1. Basis of preparation and accounting policies

These financial statements have been prepared under the historical cost convention and the accrual basis of accounting and on the basis that the Committee is a going concern.

2. Taxation

No provision for taxation is necessary as the Committee is exempted as a charitable body.

3. Committee Members' emoluments

The Committee Members did not receive any emoluments from the Committee.

4. Honorary Auditor

This set of financial statements has been audited by the Treasury Accountant/Internal Audit of the Marine Department who retires, and being eligible, offers himself for re-appointment.