

THE SIXTY - FIFTH
ANNUAL REPORT
OF THE

PORT
WELFARE
COMMITTEE

HONG KONG
2013 - 14

PORT
WELFARE
COMMITTEE

Port Welfare Committee
(1 April 2013 – 31 March 2014)

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

Mr. YANG Kaiqiang - Hong Kong Seamen's Union

Dr. TSUI Lok-kin, Edwin - Department of Health (ex-officio)

Ms. CHAN Lai-heung, Esther - Labour Department (ex-officio)

Mr. WONG Sai-fat - Marine Department (ex-officio)
(to 27 March 2014)

Dr. LI Yiu-kwong, Stephen
(from 28 March 2014)

Secretary : Miss LEUNG Oi-yiu, Shirley - Marine Department (ex-officio)
(to 5 May 2013)

Mr. Jack MF CHAN
(from 6 May 2013)

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 2013 – 14 was \$402,346. In the same year, a subvention of \$400,000 was granted to The Sailors' Home and Missions to Seamen and \$40,000 to the Danish Seamen's Church, Hong Kong.

Shipping

4. The Port of Hong Kong is one of the undisputed world leaders 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 2013, about 60 330 ocean-going vessels entered and cleared the Port of Hong Kong and 22.4 million TEUs (20-foot containers) were handled in Hong Kong, representing a drop of 3.3 % over 2012. The percentage of ships staying in the Port for less than two days dropped from 78% in 2012 to 75% in 2013.

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 with an initial funding of \$9,000,000. In 2009, an additional amount of \$19,200,000 was granted by the government. To continue the operation of the Scheme until 2018-19, \$12,400,000 was granted, in January 2014, to the Scheme from the newly established government Maritime & Aviation Training Fund. As at 31 March 2014, a total of 299 young persons had joined the Scheme; 90 deck and 64 engineer cadets had obtained Class 3 Certificate of Competency (CoC); 12 deck and 13 engineer officers had obtained the Class 2 CoC; and 7 deck officers and 3 engineer officers had obtained Class 1 CoC. The result was encouraging.

The Sailors' Home and Missions to Seamen



6. In 2013, the activities of the chaplain's and ship visitors of The Sailors' Home and Missions to Seamen (The Mission) have been continually visiting vessel's crews both in Hong Kong Terminals in Kwai Chung and by use of its motor launch in the anchorage. A total of 4 342 ships crews were visited, provided with welfare support and valued contact with crew and officers aboard. All seafarers are visited regardless of race, creed or colour; all are treated equally and valued as fellow members of the maritime community. 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 its seafarers centres, shopping, sightseeing and off the vessel BBQ's, religious services aboard particularly after a death on board, ship blessing and many other services.

7. As well as The Mission's daily visiting of ships, it 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, the seafarers feel even more isolated than normal. A visit from the chaplaincy staff can help the seafarers feel wanted, respected and not alone. 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 2013, The Mission conducted 146 separate hospital visits and cared for 27 seafarers who were hospitalized in Hong Kong. Seafarers from 16 countries were taken to hospital in Hong Kong through the year and the largest number were from Philippines, then China, closely followed by India and Kiribati.

8. Sadly a female Chinese seafarer who was working for Star Cruises, who had been battling cancer for almost 15 months in hospital in Hong Kong died on 19th October 2013. Her funeral was held at St Peter's Church in The Mariners' Club. In her time in Hong Kong, she was visited over 300 times by the Chaplain and members of the chaplaincy team of The Mission. Her family and husband were accommodated freely at The Mariners' Club during her last days of life.

9. 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. The building is close to the shopping malls, the night markets and the downtown activity of the tourist nightlife. In 2013, 42 418 active seafarers used the accommodation at the TST Club for a night stay or more, of these the largest group by nationality were from the Philippines followed by Chinese, Indian, Myanmar, Ukraine, Russia and Kiribati. The number of seafarers staying at TST Club has risen for the fifth 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.

10. 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 The Mission's local knowledge and its 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 TST Club, The Mission also has many seafarers who visit the Kwai Chung Club whilst their ships are in port. Both Kwai Chung and TST Clubs were used by 11 995 seafarers as a drop in facility throughout 2012. Putting all these together, The Mission provided facilities for 54 413 local and international seafarers during the year of 2013.

11. As with 2013, the future challenges for The Mission will be to try to improve on the services provided for all seafarers who visit Hong Kong. The Mission will try to increase the number of ships that it visit, 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 life of the seafarer. 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. 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 estimated like for like replacement will be in the range of HK\$6 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 The Mission will have a concept that it can go ahead with. On 13th November 2013, The Mission held a charity Gala Dinner celebrating 150 years of the Sailors Home in Hong Kong and raised HK\$1.4 million. The Mission is hoping that a similar event will become an annual fixture in the life of the maritime community in Hong Kong. Along with these events it is hoped that the capital expenditure of the boat can be funded also by 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 continues its discussions with the operators at Kai Tak and the cruise companies into the possibility of having a drop in centre at the terminal, although numbers of visits are still projected to be 48 days in 2014, the significant numbers of seafarers aboard means The Mission must try to either provide a means of access to either the 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 in the future.

The Danish Seamen's Church, Hong Kong



12. Time has changed and the shipping industry has changed tremendously, but it's still sailors of flesh and blood, as crew on board. The seafarers still sail under the stars and get their lonely thoughts. The Danish Seamen's Church in Hong Kong (The Church)'s mission on ship visiting is trying to be "like a star", listening to whatever they think and The Church tries to give them a little confidence and "home feeling". The stars are still the sailors' guide and good company and The Church should also like to be the same on a human basis. The Church thinks that this is how it is trying to bring welfare on board the Danish flagged ships in Hong Kong.

13. The Church visits all Danish flagged ships and provides spiritual guidance for all on board and whatever practical assistance that may be needed for welfare on board. On the ship's visit, The Church brings Filipino, Indian and Danish newspapers. 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 to hang out and relax for the seafarers, and a place for Danes, living in Hong Kong, to start a Danish network, or catch up with other Danes. And The Church also does a lot of shopping for the ships. Many of the ships are sending The Church mails beforehand with their needs or wishes and then The Church goes shopping and bringing them their groceries. It could be Christmas gifts, electronic devices, aquarium fish or prizes to the raffle arranged by the "ships club".

14. The Church is a private organization. The salary for the port chaplain and the 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.

15. In the spring of 2014, The Church in Hong Kong was privileged to receive a donation from The A.P. Moller Foundation in Denmark (Maersk Line). The Donation was for the purchase of a minivan to The Church for daily operations and ship visiting. It is a pleasure and a great inspiration to know that ship owners also appreciate The Church's work among the sailors on board the ships. The Church would continue to visit all Danish flagged ships and offer its services to everyone on board.



List of donors who made donations to the Port Welfare Committee in 2013 - 14

Donors

- 1 Anglo-Eastern Ship Management Limited
- 2 Arrow Asia Shipbrokers Limited
- 3 Brenda Chark & Co.
- 4 Chellaram Shipping (Hong Kong) Ltd
- 5 Chugoku Marine Paints (HK) Ltd
- 6 Clarkson Asia Limited
- 7 Fleet Management Limited
- 8 Germanischer Lloyd Hong Kong Limited
- 9 Grand Seatrade Shipping Company Limited
- 10 Hong Kong Mid-Stream Operators Association Limited
- 11 Hong Kong Pilots Association Ltd
- 12 Hongkong International Terminals Limited
- 13 Houlder Insurance Brokers Far East Limited
- 14 Interocean Shipping Company Limited
- 15 Jardine Shipping Services
- 16 K. H. Koo Charitable Foundation
- 17 K. M. Tam International Limited
- 18 KC Maritime Limited
- 19 Keesal, Young & Logan, LLP
- 20 Modern Terminals Limited
- 21 NS United Shipping (H.K.) Co., Limited
- 22 Orient Overseas Container Line Limited
- 23 Parakou Shipping Limited
- 24 Ruttonjee Estates Continuation Limited
- 25 Santana Shipping Services Limited
- 26 Seaspan Ship Management Ltd.
- 27 Star Cruises (HK) Limited

Donors

- 28 Sureness Marine Services Ltd
- 29 Tai Chong Cheang Steamship Co. (H.K.) Limited
- 30 Taiship Company Limited
- 31 Teh-Hu Cargocean Management Co Ltd
- 32 The Hongkong and Shanghai Banking Corporation Limited
- 33 The North of England Protecting and Indemnity Association Limited
- 34 Tiger Ship Holdings Ltd
- 35 V. K. Hsu & Sons Foundation Limited
- 36 Valles Steamship Co., Ltd.
- 37 Wah Kwong Maritime Transport Holdings Ltd.
- 38 Willis Hong Kong Limited

Total donations received in 2013 – 14: \$402,346



PORT WELFARE COMMITTEE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014



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 2014, and the statement of receipts and payments 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 2014 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 2014.



Treasury Accountant/Internal Audit
Marine Department
Date: 25 September 2014

**PORT WELFARE COMMITTEE
STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

	<u>2014</u> HK\$	<u>2013</u> HK\$
RECEIPTS		
Annual donations	402,346	374,200
Bank interest income	2	2
	<u>402,348</u>	<u>374,202</u>
PAYMENTS		
Grant to The Sailors' Home and Missions to Seamen	400,000	350,000
Grant to The Danish Seamen's Church	40,000	35,000
Bank charges	280	15
	<u>440,280</u>	<u>385,015</u>
(DEFICIT) / SURPLUS FOR THE YEAR	(37,932)	(10,813)
RETAINED SURPLUSES AT THE BEGINNING OF THE YEAR	183,802	194,615
RETAINED SURPLUSES AT THE END OF THE YEAR	<u>145,870</u>	<u>183,802</u>

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

**PORT WELFARE COMMITTEE
BALANCE SHEET
AS AT 31 MARCH 2014**

	<u>2014</u> HK\$	<u>2013</u> HK\$
CURRENT ASSETS		
Cash at bank	145,870	183,802
NET CURRENT ASSETS	<u>145,870</u>	<u>183,802</u>
<i>Representing:</i>		
RETAINED SURPLUSES	<u>145,870</u>	<u>183,802</u>

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

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

Approved by the Committee on 25 September 2014



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 2014**

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

The financial statements have been prepared under the historical cost convention and are prepared on a cash basis. Moreover, the financial statements are prepared on the assumption 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.