

THE SIXTY - SIXTH
ANNUAL REPORT
OF THE

PORT
WELFARE
COMMITTEE

HONG KONG
2014 - 15

PORT
WELFARE
COMMITTEE

Port Welfare Committee
(1 April 2014 – 31 March 2015)

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
(up to 31 January 2015) Commerce

Mr. Fared Ahamad KHAN
(from 20 March 2015)

Capt. TANG Wai-tong - Merchant Navy Officers' Guild
(up to 30 June 2014) Hong Kong

Mr. Micheal MARQUES
(from 1 July 2014)

Mr. YANG Kaiqiang - Hong Kong Seamen's Union
(up to 30 June 2014)

Ms. CHIU Sui-hang, Emma
(from 1 July 2014)

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

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

Dr. LI Yiu-kwong, Stephen - Marine Department (ex-officio)

Secretary : Mr. Jack MF CHAN - 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 2014 – 15 was \$369,700. 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 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 2014, about 59 110 ocean-going vessels entered and cleared the Port of Hong Kong and 22.2 million TEUs (20-foot containers) were handled in Hong Kong, representing a slight drop of 0.6 % over 2013. The percentage of ships staying in the Port for less than two days was 74% in 2014 while that for 2013 was 75%.

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. An additional amount of \$19,200,000 was granted by the government in 2009. A further amount of \$12,400,000 was granted in January 2014 to the Scheme from the newly established government Maritime & Aviation Training Fund. As at 31 March 2015, a total of 358 young persons had joined the Scheme; 112 deck and 77 engineer cadets had obtained Class 3 Certificate of Competency (CoC); 23 deck and 21 engineer officers had obtained the Class 2 CoC; and 9 deck officers and 3 engineer officers had obtained Class 1 CoC. The result was encouraging.

The Sailors' Home and Missions to Seamen



6. In 2014, the activities of the chaplain 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 4 048 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 too small to name individually.

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 things 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 seafarer can 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 2014, The Mission conducted 73 separate hospital visits and cared for 35 seafarers who were hospitalized in Hong Kong. Seafarers from 18 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 Ukraine.

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. The TST Club building is close to the shopping malls, the night markets and the downtown activity of the tourist nightlife. In 2014, 33 316 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 and Russia and Kiribati. The number of seafarers staying at TST Club has declined for the first year in five years. The main reason for the decline has been the concern from mainland China concerning Hong Kong as a destination to visit. Falling number of mainland tourists has led to a reduction in hotel room costs, whereby hotels are discounting their rooms to attract trade. Unfortunately The Mission cannot compete with the discounts being offered and as the majority of its rooms have the facilities outside the sleeping area, they are less attractive to the seafarers or shipping agents placing a seafarer in a bedroom overnight. Until The Mission achieves the redevelopment of the building and can provide all full facility rooms with toilet and bathroom included, The Mission will not be the first choice for seafarers expecting the same standards they now have aboard. The Mission would still actively encourage more shipping companies to place their seafarers with it and The Mission has now brought in a new room rate to significantly discount all its rooms to shipping companies trying to redress the balance and bring seafarers back to stay with The Mission in an environment that has been made conducive to their needs and stay in

Hong Kong. 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 11 527 seafarers as a drop in facility throughout 2014. Putting all these together, The Mission provided facilities for 44 843 local and international seafarers during the year of 2014.

9. As with 2014, 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 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 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 more than 20 years of service, The Mission has replaced its ship visiting launch. "Dayspring" came into service on 12 February 2015 and with its increased speed has meant that The Mission is able to visit more ships and also those out in the anchorages of South Lamma. The replacement cost was HK\$6.2 million, built by Cheoy Lee to Lloyds Register Class. The Mission now has a fit for purpose vessel for many years to come. The last two Charity Dinners have raised approximately a total of HK\$3 million towards her cost and The Mission will be holding a similar event on 19th November 2015 to continue the fund raising. In 2014, The Mission introduced the Hong Kong Seafarers' Awards to the Charity Dinner. After a survey of seafarers on Hong Kong flagged ships or ships owned and managed out of Hong Kong, The Mission took the results of the survey with over 4 000 respondents and awarded Hong Kong Ship Owner of the Year and Hong Kong Ship Manager of the Year 2014. The Mission will be conducting a similar exercise again in 2015.



The Mission continues to keep an eye on the visits at Kai Tak Cruise Terminal, and its chaplains have paid visits there. But until the number of visits of cruise ships increase, any form of ministry there will be based from TST.

The Danish Seamen's Church, Hong Kong



10. The Danish Seamen's Church (The Church), Hong Kong operates on various levels. One of its major functions is to make the Danish community, either living in Hong Kong or visiting, 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 this way, still feel a bit of freedom, even though they do not have time to leave the ship.

11. The port chaplain or the assistants visit every Danish flagged ship in port in Hong Kong. In this way The Church maintains a good relationship with the seamen onboard, and The Church 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 from this place. In 2014, the Danish Semen's Church, Hong Kong, had the great pleasure to receive a new minivan for the daily work donated by "Den A.P. Møllerske Støttefond" (The Maresk Foundation).

12. The Church is a private organization. The salary for the port chaplain and the salaries for the two assistants is paid by the Danish Government. All other funds are 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 takes a lot of preparation and uses a lot of the resources available to The Church.

13. 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. 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.



List of donors who made donations to the Port Welfare Committee in 2014 - 15

Donors

- 1 Arrow Asia Shipbrokers Limited
- 2 Asia Container Terminals Limited
- 3 Brenda Chark & Co.
- 4 Chellaram Shipping (Hong Kong) Ltd
- 5 Cheoy Lee Shipyards Limited
- 6 CM Houlder Insurance Brokers Limited
- 7 COSCO (Hong Kong) Insurance Brokers Limited
- 8 COSCO-HIT Terminals (Hong Kong) Limited
- 9 Fenwick Shipping Services Ltd
- 10 Germanischer Lloyd Hong Kong Limited
- 11 GMT Shipping (HK) Limited
- 12 Grand Seatrade Shipping Company Limited
- 13 Hong Kong Mid-Stream Operators Association Limited
- 14 Hong Kong Pilots Association Ltd
- 15 Hongkong International Terminals Limited
- 16 Hongkong United Dockyards Limited
- 17 Howse Williams Bowers
- 18 Interocean Shipping Company Limited
- 19 Jardine Shipping Services
- 20 K. H. Koo Charitable Foundation
- 21 Keesal, Young & Logan, LLP
- 22 Modern Terminals Limited
- 23 MTI Network (Asia) o/b Elegant Fortune Limited
- 24 Parakou Shipping Limited
- 25 Ruttonjee Estates Continuation Limited
- 26 Santana Shipping Services Limited
- 27 Star Cruises (HK) Limited

Donors

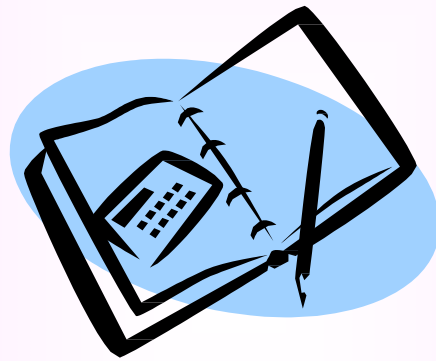
- 28 Tai Chong Cheang Steamship Co. (H.K.) Limited
- 29 Taiship Company Limited
- 30 Teh-Hu Cargocean Management Co Ltd
- 31 The Caravel Group Limited (Fleet Management Limited)
- 32 The Hongkong and Shanghai Banking Corporation Limited
- 33 The North of England Protecting and Indemnity Association Limited
- 34 Unique Shipping (H.K.) Limited
- 35 V. K. Hsu & Sons Foundation Limited
- 36 Valles Steamship Co., Ltd.

Total donations received in 2014 – 15: \$369,700

Thank you



PORT WELFARE COMMITTEE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015



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 Instructions (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 2015, 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 2015 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 2015.



MAK On-kei

Treasury Accountant/Internal Audit

Marine Department

Date: 25 September 2015

**PORT WELFARE COMMITTEE
STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

	<u>2015</u> HK\$	<u>2014</u> HK\$
RECEIPTS		
Annual donations	369,700	402,346
Bank interest income	2	2
	<u>369,702</u>	<u>402,348</u>
PAYMENTS		
Grant to The Sailors' Home and Missions to Seamen	400,000	400,000
Grant to The Danish Seamen's Church	40,000	40,000
Bank charges	200	280
	<u>440,200</u>	<u>440,280</u>
DEFICIT FOR THE YEAR	(70,498)	(37,932)
RETAINED SURPLUSES AT THE BEGINNING OF THE YEAR	145,870	183,802
RETAINED SURPLUSES AT THE END OF THE YEAR	<u>75,372</u>	<u>145,870</u>

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

**PORT WELFARE COMMITTEE
BALANCE SHEET
AS AT 31 MARCH 2015**

	<u>2015</u> HK\$	<u>2014</u> HK\$
CURRENT ASSETS		
Cash at bank	75,372	145,870
NET CURRENT ASSETS	<u>75,372</u>	<u>145,870</u>
<i>Representing:</i>		
RETAINED SURPLUSES	<u>75,372</u>	<u>145,870</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 2015



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 2015**

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.