

THE SIXTY - EIGHTH  
ANNUAL REPORT  
OF THE

PORT  
WELFARE  
COMMITTEE

HONG KONG  
2016 - 17

PORT  
WELFARE  
COMMITTEE

**Port Welfare Committee**  
**(1 April 2016 – 31 March 2017)**

**Chairman :** Mr Timothy Scott HUXLEY - Hong Kong Shipowners Association

**Members :** Capt Umesh LULLA - Hong Kong General Chamber of  
Commerce

Mr Fared Ahamad KHAN - Hong Kong General Chamber of  
Commerce

Mr Michael MARQUES - Merchant Navy Officers' Guild  
Hong Kong

Ms CHIU Sui-hang, Emma - Hong Kong Seamen's Union

Dr HO Lei-ming, Raymond - Department of Health (ex-officio)

Ms CHAN Lai-heung, Esther - Labour Department (ex-officio)  
*(up to 20 December 2016)*

Ms CHAN Wing-han, Grace  
*(from 21 December 2016)*

Dr LI Yiu-kwong, Stephen - Marine Department (ex-officio)  
*(up to 4 October 2016)*

Mr CHOI Chi-chuen  
*(from 5 October 2016)*

**Secretary :** Mr Jack MF CHAN - Marine Department (ex-officio)  
*(up to 8 January 2017)*

Ms NG Yin-nei, Fausta  
*(from 9 January 2017)*

**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 Port Welfare 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 (the Committee) is drawn from representatives of the local shipping community and government departments which are concerned with the welfare of visiting seafarers on 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 (The Mission) and the Danish Seamen's Church, Hong Kong (The Church). 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 2016–17 was \$163,300. In the same year, a subvention of \$140,000 was granted to The Mission and \$14,000 to The Church.

## *Shipping*

4. Hong Kong continues to flourish as a hub port serving the South Asian Pacific region and acting as an entrepot for the Mainland China. It is one of the busiest ports in the world. In 2016, a total of 370 990 vessels entered and cleared the Port of Hong Kong, involving 19.8 million twenty-foot equivalent units of containers and 257 million tonnes of cargo. The cross-boundary ferry and cruise passenger journeys also exceeded 29 million.

## *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 Sea-going Training Incentive Scheme<sup>1</sup> was set up in 2004 with an initial funding of \$9.0 million. An additional amount of \$19.2 million was granted by the government in 2009. A further amount of \$12.4 million was granted in January 2014 to the Scheme from the newly established government Maritime & Aviation Training Fund<sup>2</sup>. As at 31 March 2017, a total of 458 young persons had joined the Scheme; 172 deck and 94 engineer cadets had obtained Class 3 Certificate of Competency (CoC); 32 deck and 32 engineer officers had obtained Class 2 CoC; and 22 deck officers and 11 engineer officers had obtained Class 1 CoC. The result was encouraging.

<sup>1</sup> <http://www.mardep.gov.hk/en/others/sgtis.html> and <http://www.hkmpb.gov.hk/en/manpower/sgtis.html>

<sup>2</sup> <http://www.mardep.gov.hk/en/others/lvttis.html>

## *The Sailors Home and Missions to Seamen*<sup>3</sup>



6. In 2016, the chaplain and ship visitors of The Mission have been continually visiting vessel's crew both in Hong Kong Terminals in Kwai Chung and by use of its motor launch in the anchorage. 3 658 ship crew have been visited, provided with welfare support and valued contact with crew and officers aboard. All seafarers are visited regardless of their 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 (1 511 seafarers are transported from ship to shore free of charge), shopping, sightseeing and off the vessel BBQs, religious services particularly after a death on board, ship blessing and many other services - too small to name individually. Apart from daily visiting of ships, The Mission also actively visits all seafarers in hospitals in Hong Kong, helping them with communication to home, and providing them with 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 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 were visiting Hong Kong to see their loved ones in hospital. In 2016, The Mission conducted 124 separate hospital visits and cared for 51 seafarers who were hospitalised in Hong Kong. Seafarers from 13 countries were taken to hospital in Hong Kong throughout the year, most of whom were from the Philippines, Indonesia, China and some were from Malaysia and India.

<sup>3</sup> Incorporated under the Sailors Home and Missions to Seamen Incorporation Ordinance (Cap. 1042)



7. 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 "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 and require accommodation. The TST Club building is close to the shopping malls, the night markets and the downtown activity of the tourist nightlife. In 2016, 26 762 active seafarers used the accommodation at the TST Club for a night stay or more. Of these, the largest groups by nationality were the Filipinos, followed by Chinese, Indians, Cambodians, Ukrainians, Russians and Kiribati. The number of seafarers staying at the TST Club has increased by 13% compared with last year. This is probably due to the fact that The Mission is still offering the lowest rates for accommodation of its kinds in Hong Kong, and shipping companies are continuing to seek to cut costs where possible against the hotel industry in Hong Kong which has raised its prices over the past years. The Mission would still actively encourage more shipping companies to place their seafarers in the TST Club, and The Mission has now brought in a new room rate to significantly discount all its rooms to shipping companies, in an attempt 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 with any commercial hotel. Alongside those seafarers who stay at the TST Club, many seafarers visit the Kwai Chung Club whilst their ships are in port. Both the Kwai Chung and TST Clubs were used by 10 438 seafarers as a drop in facility throughout 2016. Putting all this together, The Mission provided facilities for 37 200 local and international seafarers in 2016, as compared with 36 566 seafarers in 2015.

8. In November 2016, The Mission held its 4<sup>th</sup> Annual Maritime Charity Dinner and Annual Seafarers Awards. With over 280 attendees in the dinner and awards ceremony, the event was a great success. As mentioned in her speech by Sabrina Chao, the Diamond Sponsor and Chairman of Wah Kwong, the event has now become a core event in the Hong Kong Maritime calendar. The awards this year attracted over 9 960 responses from seafarers serving on Hong Kong owned or managed vessels. The survey asked questions about quality of life aboard and how the seafarers were treated by their employers. The survey has now become a benchmark which some companies are measuring how they are doing and has been greeted with more and more enthusiasm each year. The winners took to the stage at the event. Hong Kong Ship Owner of the Year 2016, for the second year, was awarded to Wah Kwong whereas Hong Kong Ship Manager of the Year 2016 was awarded to Wallem. It is planned to carry out the survey during the period from 1 July to 30 October 2017 for the Annual Maritime Charity Dinner and Seafarer Awards to be held on 16 November 2017.

Photos taken from the  
4<sup>th</sup> Annual Maritime Charity Dinner and Annual Seafarers Awards



Seafarers' Awards 2016  
Hong Kong Ship Owner of the year



Seafarers' Awards 2016  
Hong Kong Ship Manager of the year



## The Danish Seamen's Church, Hong Kong<sup>4</sup>

9. The Church has been established in Hong Kong for several decades since 1979. It helps the Danish ships arrive in Hong Kong with anything from dry socks to spiritual aid. When the Danish ships arrive at the port in Hong Kong, The Church visits the crew and brings them newspapers from their home countries. The Church also offers the crew practical and social assistance while they are in Hong Kong. Such assistance is often related to the purchase of items for the crew's welfare on board, typically lottery prizes, movies, and so on. The Church also provides an assortment of the Danish / Scandinavian delicacies, which are hard to come by in the Asian region, and these are specially requested around the holidays where many people miss the taste of home during Christmas, Easter and other holidays. Since the last report, The Church has experienced a slight increase, both in ships and the request from the ships for both specialty food and purchases of recreational and welfare items such as TV and exercise equipment.



10. As the port stays of the ships are normally so short, the seafarers do not have time to visit the Danish Room in Kwai Chung very often. The Church has thus put a top priority on visiting all the Danish ships coming to Hong Kong. As The Church also cares for the local Danish congregation, it has tried to make the Danish Room homely where the local congregation can get closer acquaintance and warmer support with the seafaring community. The strong ties between the local congregation and the seafaring community are of great importance to The Church, both from theological and practical perspectives, as many of the Danish professionals here in Hong Kong are involved in shipping and its related business. It helps The Church build a

<sup>4</sup> <http://www.soemandskirken.org/>

strong identity, not only ecclesiastically as a church, but also in the ways which The Church supports the community through local connections.

11. There is no doubt that the work with the seafaring community is more important than ever before. With port stays becoming shorter and shorter, and the security in employment seemingly being more insecure, the need for the assistance that The Church can offer, both spiritual and material, is of great significance. It is cardinal for The Church to keep a strong link between the local community and the seafaring community, in order to help the seafarers as far as practicable.

12. Of course, this is becoming increasingly challenging with the future of the Mariner's Club in TST as it is, and will leave The Church without its primary venue for fund raising events. It will also mean a heavy increase in The Church's expenses for the future, which makes The Church even more dependent on support from donor organisations than ever before. Over the last year, unfortunately, The Church has experienced a decrease in donations from many of its old sponsors, which have made things more challenging. The Church's hope is to keep the same level of assistance to the ships in the challenging future that The Church faces, but there is no doubt that it will be a big challenge.



## **List of donors who made donations to the Port Welfare Committee in 2016 - 17**

### **Donors**

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- 1 Anglo-Eastern Univan Group
- 2 Chellaram Shipping (Hong Kong) Ltd
- 3 Cheoy Lee Shipyards Limited
- 4 Clarkson Platou Asia Limited
- 5 COSCO (Hong Kong) Insurance Brokers Limited
- 6 Grand Seatrade Shipping Company Limited
- 7 Holman Fenwick Willan
- 8 Hong Kong Mid-Stream Operators Association Limited
- 9 Hong Kong Pilots Association Ltd
- 10 IMC Development & Management Limited
- 11 Interocean Shipping Company Limited
- 12 K. M. Tam International Limited
- 13 Keesal, Young & Logan
- 14 Ruttonjee Estates Continuation Limited
- 15 Santana Shipping Services Limited
- 16 Star Cruises (HK) Limited
- 17 Steamship Mutual Management (HK) Ltd
- 18 Tai Chong Cheang Steamship Co. (H.K.) Limited
- 19 Taiship Company Limited
- 20 Teh-Hu Cargocean Management Co Ltd
- 21 The Britannia Steam Ship Insurance Association (H.K.) Ltd
- 22 The Caravel Group Limited
- 23 The Hongkong Bank Foundation
- 24 Unique Shipping (H.K.) Limited
- 25 V. K. Hsu & Sons Foundation Limited
- 26 Valles Steamship Co., Ltd.

Total donations received in 2016–17: \$163,300.



**PORT WELFARE COMMITTEE**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**





## **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 2017, 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 2017 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 2017.



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MAK On-kei

Treasury Accountant/Internal Audit

Marine Department

Date: 19 September 2017

**PORT WELFARE COMMITTEE  
STATEMENT OF RECEIPTS AND PAYMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

	<u>2017</u> HK\$	<u>2016</u> HK\$
<b>RECEIPTS</b>		
Annual donations	163,300	338,900
Bank interest income	1	1
	<u>163,301</u>	<u>338,901</u>
<b>PAYMENTS</b>		
Grant to The Sailors' Home and Missions to Seamen	140,000	350,000
Grant to The Danish Seamen's Church	14,000	35,000
Bank charges	950	240
	<u>154,950</u>	<u>385,240</u>
<b>SURPLUS/DEFICIT FOR THE YEAR</b>	<b>8,351</b>	<b>(46,339)</b>
<b>RETAINED SURPLUSES AT THE BEGINNING OF THE YEAR</b>	<b>29,033</b>	<b>75,372</b>
<b>RETAINED SURPLUSES AT THE END OF THE YEAR</b>	<u><b>37,384</b></u>	<u><b>29,033</b></u>

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

**PORT WELFARE COMMITTEE  
BALANCE SHEET  
AS AT 31 MARCH 2017**

	<u>2017</u> HK\$	<u>2016</u> HK\$
<b>CURRENT ASSETS</b>		
Cash at bank	37,384	29,033
<b>NET CURRENT ASSETS</b>	<u>37,384</u>	<u>29,033</u>
<i>Representing:</i>		
<b>RETAINED SURPLUSES</b>	<u>37,384</u>	<u>29,033</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 19 September 2017



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Chairman  
(Mr FENG Jia-pei, Gilbert)



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Treasurer  
(Miss Dora TUNG)

**PORT WELFARE COMMITTEE  
ACCOUNTING POLICIES AND EXPLANATORY NOTES TO  
THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017**

**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.