

立法會
Legislative Council

LC Paper No. CB(1)1658/09-10(07)

Ref: CB1/PL/EDEV

Panel on Economic Development
Meeting on 26 April 2010

Background brief on Sea-going Training Incentive Scheme

Purpose

This paper provides background information on the Sea-going Training Incentive Scheme and summarizes concerns and views expressed by Members on related issues.

Background

Manpower need in the maritime industry

2. Hong Kong is one of the busiest ports and among the largest maritime centres in the world. The shipping and maritime industry is one of the major industries in Hong Kong supporting the development of other trades, including import and export, logistics, financial, legal and insurance services. The rapid growth and diversification of the Hong Kong economy has led to a wider choice of job opportunities in many sectors, and a sea-going career has become less and less attractive for young people joining the workforce in Hong Kong.

3. At present, there are a number of full-time maritime related courses provided at tertiary and post-secondary level, as well as short-term professional training courses to cater for the different needs of maritime personnels. It is noted that the number of student intake for maritime studies is fairly limited. The maritime industry has been urging the relevant training institutions and universities to allocate more resources to maritime related programmes and courses. To help meet the manpower demand of the industry, the Government launched, among others, the Sea-going Incentive Scheme in 2004, the Ship Repair Training Incentive Scheme in 2006 and the Hong Kong Maritime Scholarship Scheme in 2007, with a view to attracting more youngsters to take up maritime related programmes in Hong Kong.

Sea-going Training Incentive Scheme

4. To address the problems of an aging seafaring workforce and a lack of new blood in pursuing a sea-going career, the Hong Kong Maritime Industry Council, the maritime industry and the Government jointly launched the Sea-going Training Incentive Scheme (the Scheme) in July 2004, with a view to encouraging more Hong Kong young people to take on and complete sea-going training. The Scheme would help enhance the supply of local qualified personnel with sea-going experience to work in the maritime industry. A total of \$9 million was provided by the Government to implement the Scheme for four years from 2004-2005 to 2007-2008. The Scheme was later extended to 2010-2011 to fully utilize the funds allocated. So far, a total of \$5.7 million had already been paid out to the cadets, and another \$3.2 million has been earmarked for the existing cadets who are still undergoing training, leaving an uncommitted balance of only \$0.1 million.

5. The Scheme is open for application all year round and the incentive is awarded to successful applicants on a first-come-first-served basis. Administered by the Marine Department, the Scheme provides a financial incentive of \$5,000 per month¹ for eligible students of nautical studies to receive the necessary sea-going training qualifying them to sit for the Class 3 Deck/Engineer Officer Examination, which will pave the way for them to become shore-based professionals in the maritime industry. The incentive is paid by the Government in arrears directly to the successful applicants on completion of each employment contract up to the maximum training period of 18 months² for Deck Cadet and 6 months for Engineer Cadet and upon certification of the employer. As at March 2010, over 120 participants have joined the Scheme.

Concerns expressed by Members in previous discussions

Deliberations during the examinations of Estimates

6. In examining the estimates of expenditure for 2005-2006, 2007-2008 and 2008-2009, members of the Finance Committee have raised questions about the progress of the implementation of the Scheme, including the Scheme enrolment and expenditure, the number of trainees which have become professionals, as well as manpower demand in the shipping industry. The relevant questions and replies are hyperlinked in Appendix.

¹ When the Scheme commenced in July 2004, the incentive payment was set at \$4,000 per month. In January 2009, the Government enhanced the Scheme by increasing the incentive payment to \$5,000, and reimbursing the fee of the first qualifying examination to the participants. The current fees of the Class 3 Deck and Engineer Certificate of Competency Examinations are \$6,020 and \$2,410 respectively.

² The minimum cadetship training was reduced from 24 to 18 months in 2010, after the Maritime Services Training Institute's two-year programme "Diploma in Maritime Studies" was upgraded to the three-year "Higher Diploma in Maritime Studies" programme as from the 2007-2008 academic year.

7. During the Second Reading debates in 2005, 2007 and 2008 on the Appropriation Bill, some Members expressed concerns about the manpower shortage in the shipping industry, especially experienced seamen at the senior management level. Since the small number of Scheme participants could not satisfy the manpower demand of the industry, these Members urged the Government to extend the Scheme, expand the scope and step up publicity of the Scheme. They also urged for the allocation of more resources to training talents for the shipping industry, so that Hong Kong could fully bring its edge as the shipping centre and regional logistics centre into play. In this connection, they requested the Government make reference to the experiences of the Mainland and other places such as Singapore and the Netherlands, and draw up specific policies as well as injecting adequate resources for the nurturing of talents over a longer term.

8. During the debate on the motion of thanks to the Chief Executive for the 2008-2009 Policy Address, some Members pointed out that there was an acute demand for shipping talents following the rapid expansion of high-speed passenger ferries services in the Pearl River Delta (PRD) Region in recent years. They considered that the Government should provide more resources to the Maritime Services Training Institute to organize pre-employment and in-service training courses for the industry on a regular basis.

Deliberations by the Panel

9. The former Panel on Economic Services³ considered the proposal to launch the Hong Kong Maritime Scholarship Scheme at the meeting on 23 April 2007. While noting the various measures taken by the Government to ensure the continued supply and development of maritime professionals, Panel members called upon the Government to devise long-term policy and programmes for training and upgrading the local work force to help meet the manpower demand of the shipping industry, with a view to, inter alia, avoiding importing labour or admitting talents from the Mainland.

10. When the Panel on Economic Development was briefed on the Pilotage (Dues) (Amendment) Order 2009 at the meeting on 16 November 2009, members raised concerns about the difficulty to recruit and train locals in the pilotage profession. They stressed the importance to identify more talents for early grooming to ensure staff succession. The Government was also urged to deploy more resources to enhance incentive measures to attract more young people to take up the seafaring profession.

³ The Panel on Economic Services was renamed as the Panel on Economic Development with effect from the 2007-2008 session.

Latest development

11. The Administration will brief the Panel on the financial proposal for continuation of the Scheme at the meeting on 26 April 2010.

References

12. A list of the relevant papers with their hyperlinks is in **Appendix**.

Council Business Division 1
Legislative Council Secretariat
20 April 2010

Background brief on Sea-going Training Incentive Scheme

List of relevant papers

Panel/Committee	Date	Paper
Finance Committee	April 2005	Question raised during the examination of Estimates of Expenditure 2005-2006 (Reply Serial EDLB(ED)028) http://www.legco.gov.hk/yr04-05/english/fc/fc/w_q/edlb-ed-e.pdf
Council Meeting	20 April 2005	Resumption of Second Reading debate on the Appropriation Bill 2005 (Page 142) http://www.legco.gov.hk/yr04-05/english/counmtg/hansard/cm0420ti-translate-e.pdf
Council Meeting	24 January 2007	Motion on "Urging the Government to make effective use of the surplus and plough it back into the community" (Page 236-238) http://www.legco.gov.hk/yr06-07/english/counmtg/hansard/cm0124-translate-e.pdf
Finance Committee	March 2007	Question raised during the examination of Estimates of Expenditure 2007-2008 (Reply Serial No. EDLB(ED)034) http://www.legco.gov.hk/yr06-07/english/fc/fc/w_q/edlb-ed-e.pdf
Council Meeting	28 March 2007	Resumption of Second Reading debate on the Appropriation Bill 2007 (Page 218-222) http://www.legco.gov.hk/yr06-07/english/counmtg/hansard/cm0328-translate-e.pdf
Panel on Economic Services	23 April 2007	Administration's paper on "Training to Meet the Manpower Need in the Maritime Industry" LC Paper No. CB(1)1383/06-07(03) http://www.legco.gov.hk/yr06-07/english/panels/es/papers/es0423cb1-1383-3-e.pdf

Panel/Committee	Date	Paper
		Minutes of the meeting (paragraphs 48-55) LC Paper No. CB(1)1945/06-07 http://www.legco.gov.hk/yr06-07/english/panels/es/minutes/es070423.pdf
Finance Committee	March 2008	Question raised during the examination of Estimates of Expenditure 2008-2009 (Reply Serial No. THB(T)073) http://www.legco.gov.hk/yr07-08/english/fc/fc/w_q/thb-t-e.pdf
Council Meeting	16 April 2008	Resumption of Second Reading debate on the Appropriation Bill 2008 (Page 226-230) http://www.legco.gov.hk/yr07-08/english/counmtg/hansard/cm0416-translate-e.pdf
Council Meeting	29 October 2008	Motion of thanks to the Chief Executive for the 2008-2009 Policy Address (Page 172-173) http://www.legco.gov.hk/yr08-09/english/counmtg/hansard/cm1029-translate-e.pdf
Panel on Economic Development	16 November 2009	Minutes of the meeting (paragraphs 15-26) LC Paper No. CB(1)771/09-10 http://www.legco.gov.hk/yr09-10/english/panels/edev/minutes/edev20091116.pdf
Council Meeting	25 June 2009	Progress report on the motion on "Strengthening human resources in the fields of finance and trade" http://www.legco.gov.hk/yr08-09/english/counmtg/motion/cm0624-m3-prpt-e.pdf