

**For discussion on
10 January 2014**

FCR(2013-14)51

ITEM FOR FINANCE COMMITTEE

**HEAD 158 – GOVERNMENT SECRETARIAT:
TRANSPORT AND HOUSING BUREAU
(TRANSPORT BRANCH)**

**Subhead 700 General Non-recurrent
New Item “Maritime and Aviation Training Fund”**

**HEAD 100 – MARINE DEPARTMENT
Subhead 700 General Non-recurrent
Item 429 Sea-going Training Incentive Scheme**

Members are invited to approve –

- (a) the creation of a new commitment of \$100 million under Head 158 – Government Secretariat: Transport and Housing Bureau (Transport Branch) for establishing the Maritime and Aviation Training Fund; and
- (b) an increase in the monthly subsidy level from \$5,000 to \$6,000 of the Sea-going Training Incentive Scheme under Head 100 – Marine Department.

PROBLEM

There is a need to enhance manpower training support for the maritime and aviation sectors with a view to expanding our pool of talents for the long-term sustainable development of the two sectors.

/PROPOSAL

PROPOSAL

2. The Secretary for Transport and Housing proposes to establish the Maritime and Aviation Training Fund (MATF), with a commitment of \$100 million over a period of five years from 2014-15 to 2018-19, to sustain the five existing training schemes and scholarships for the maritime sector, introduce enhancement measures, and launch new initiatives for the maritime and the aviation sectors.

3. As part of the above proposal, it is also proposed that the monthly subsidy level under the existing Sea-going Training Incentive Scheme (SGTIS) be increased from \$5,000 to \$6,000.

JUSTIFICATION

4. The continued development of the maritime and aviation sectors hinges on the availability of quality labour. While the two sectors offer plenty of quality job opportunities with promising prospects¹, the industries have difficulties in recruiting sufficient new and competitive talents.

5. In respect of the maritime sector, there have been reports of ageing captains and crew serving on local vessels. There is a general lack of interest amongst young people to work on board ocean-going vessels (OGVs), partly because new entrants are required to undergo a relatively low-paid cadet training period before they could sit for the first professional examination². As for professional maritime services such as ship management and finance etc., it has been reflected to the Government that young people in general do not have a clear picture of the career opportunities and the diversity of jobs the maritime sector has on offer, and hence are reluctant to join. Meanwhile, industry feedback reveals that in-service practitioners at different levels wish to receive continual training or further accreditation to enable them to move up the career ladder.

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¹ The maritime and aviation sectors provide a vast number and variety of job opportunities covering basic positions, skilled and technical positions, professional positions and other general knowledge-based supporting positions.

² In respect of OGVs, the first professional examination is for the Certificate of Competency (CoC) for Class 3 (Deck Officer) and Class 3 (Marine Engineer). In respect of local vessels, it is for the Coxswain Grade 3 Certificate and Engine Operator Grade 3 Certificate.

6. In respect of aviation sector, there have been various degrees of manpower shortage as reported by operators at the Hong Kong International Airport (HKIA). According to industry stakeholders, the two most serious issues with the manpower situation in the aviation industry are difficulties in recruitment and staff retention. These problems are relatively more obvious with technical (e.g. aircraft maintenance) and menial and manual jobs (e.g. baggage handling). Young people in general do not have a clear picture of the variety of career opportunities that the aviation sector provides. On the other hand, many in-service practitioners are unaware of opportunities for professional enhancement.

7. According to a recent survey by the Vocational Training Council (VTC) in 2012, there is an estimated manpower shortfall of about 2 200 vacancies in the shipping/aviation-related sectors³. While the proposed MATF may not be able to instantly address these shortages, the Fund will help broaden our pool of expertise in the long run.

Existing Government-funded incentive and scholarship schemes

8. To help groom talents at the technical and professional levels, the Government and the Hong Kong Maritime Industry Council⁴ (MIC) have been running five maritime training incentive and scholarship schemes in collaboration with local education institutions/universities. Two of the schemes, namely SGTIS (launched in 2004) and the Ship Repair Training Incentive Scheme (launched in 2006), are respectively targeted at subsidising sea cadets for acquiring seafaring experience and training workers to acquire skills for ship repair. The remaining three are scholarship schemes run in collaboration with three local universities covering professional training in law and maritime programmes. They are the Hong Kong Maritime and Logistics Scholarship (launched in 2007); the University of Hong Kong (HKU)-Dalian Maritime University (DMU) Academic Collaboration Scheme (launched in 2008); and the Hong Kong Maritime Law Scholarship (launched in 2010). To date, a total of 270 sea cadets, 152 workers for ship repair and some 580 university students and in-service practitioners have benefitted from the above schemes. Details of these schemes are at Enclosure 1.

Encl. 1

/Proposed

³ The surveyed sectors include warehousing and cold storage, cargo handling terminals, trucking and container haulage, air freight transport, forwarding agents, stevedoring services, couriers (international), other transport logistics services providers, sea freight transport, ship management and chartering.

⁴ MIC is chaired by the Secretary for Transport and Housing and comprises private sector and Government officials. Its function is to advise the Government on the formulation of measures and initiatives to further develop Hong Kong's maritime industry. It also assists the Government to promote the comprehensive maritime services provided and the edges of operating maritime business in Hong Kong.

Proposed initiatives under MATF

9. To achieve our strategic objective of enhancing Hong Kong's position as an international maritime and aviation centre and addressing the current manpower situation, we propose to set up MATF with a view to –

- (a) attracting more new blood to expand the pool of talent and address the issue of aging workforce;
- (b) diversifying expertise of the workforce to meet manpower demands of the sectors, especially in providing high value-added services; and
- (c) enhancing the overall competency and professionalism of the sectors and in turn our global competitiveness as an international maritime centre.

Our policy goal is to build up in due course a vibrant, diversified and competitive pool of professionals and technical personnel to support Hong Kong's future development in maritime and aviation sectors.

To sustain, enhance and expand the existing incentive and scholarship schemes

10. The existing schemes as set out in paragraph 8 above have been working well. Out of the 270 cadets who joined SGTIS, 141 of them have successfully obtained their professional qualifications⁵. For the three scholarship schemes, scholarships have been granted to a total of 150 students. Of these, 98 joined the local maritime sector upon graduation, serving in positions across the wide maritime service spectrum, such as executives, legal officers, analysts, associate shipbrokers.

11. We propose to continue to operate these five existing schemes with enhancement. Built on the results of the existing schemes and in pursuit of our objective of building a pool of skilled and knowledge-based workforce for the two important sectors, we have taken the opportunity to review the content of the schemes with a view to further incentivising participation, increasing collaboration with the academia, expanding the pool of beneficiaries and enriching the training

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⁵ The 141 cadets who have obtained qualifications include six deck cadets and three engineer cadets who have obtained CoC for Sea-going Class 1 Deck Officer and Marine Engineer as the highest qualification respectively; seven deck cadets and eight engineer cadets who have obtained CoC for Class 2 Deck Officer and Marine Engineer as the highest qualification respectively; and 68 deck cadets and 49 engineer cadets who have obtained the CoC for Class 3 Deck Officer and Marine Engineer as the highest qualification respectively.

component so as to make our talents more competitive in all respects. The estimated funding for the continuation of the five existing schemes together with the enhancement measures is approximately \$40 million over five years. The proposed enhancement measures are detailed below.

- (a) Increasing the monthly subsidy provided to sea cadets under SGTIS from \$5,000 to \$6,000

12. Cadets are required to gain a certain period of sea time (usually about six months (for engineering cadets) to 18 months (for deck cadets) by serving on board OGV) before they become eligible to sit for the first professional qualification as deck officers/marine engineers and for further progression. Such qualifications ultimately open up the cadets' career path to a wide range of both marine-and shore-based senior positions such as becoming an OGV master/chief engineer, harbour pilot, ship manager, ship surveyor and more importantly, qualified pool for entry to the main professional grades in the Marine Department. However, the monthly salary offered to OGV cadets is normally referenced to the international level (less than \$5,000 per month) and is hardly attractive to Hong Kong youths. In order to entice our young generations to join the maritime sector and gain sea-going experience, SGTIS, when started in 2004, offered a subsidy of \$4,000 per month to each cadet. The subsidy was revised to \$5,000 in January 2009 and has since remained at that level. Taking into account the increase in cost of living as well as the continued need to incentivise the younger generations to embark on this career, we propose to increase the monthly subsidy of SGTIS from \$5,000 to \$6,000. The subsidy period will remain to be no more than 18 months for a deck cadet and no more than six months for an engineering cadet. We expect that about 265 cadets will be benefitted in the five-year period.

- (b) Introducing overseas learning and exposure for students of the two postgraduate programmes under the Hong Kong Maritime Law Scholarship Scheme and the Hong Kong Maritime and Logistics Scholarship Scheme

13. At present, around 80 students are enrolled in the Master of Laws in Maritime and Transportation Law programme of the City University of Hong Kong (CityU) and the Master of Science in International Shipping and Logistics of the Hong Kong Polytechnic University (PolyU) annually. The programme covers maritime law and a range of maritime-related areas. Since maritime jobs are highly globalised, providing Hong Kong students with an opportunity to undertake maritime-related courses at world-renowned universities will give them good exposure and in turn enrich Hong Kong's pool of maritime workforce. We propose to grant sponsorships at a fixed amount of not more than \$50,000 each to selected students of the two programmes for taking one semester of credit-bearing courses at

a partnering overseas institution. The proposed amount is estimated to cover about 80% to 90% of the additional expenditure incurred by the students on tuition fee, living expenses and air fare⁶. The students are expected to bear the remaining costs. Details will be worked out between the relevant local universities and their partnering university or college.

(c) Engaging in academic collaboration with the Shanghai Maritime University

14. HKU has been collaborating with DMU since 2008 in the field of law studies. We propose achieving academic collaboration with the Shanghai Maritime University (SMU) as well in more disciplines such as ship/nautical engineering. SMU welcomes in principle such collaboration when we sounded them out. The mode and mechanism for student exchange will be worked out upon the setting up of MATF.

15. A summary of the funding required under MATF for sustaining the five existing schemes and implementing the enhancement measures, as well as the estimated number of beneficiaries, is tabulated at Enclosure 2.

Encl. 2

To launch new initiatives

16. To further expand and upgrade our pool of talents, new initiatives have been formulated to help attract new blood to the maritime and aviation sectors and support in-service workforce to take on courses/ examinations with a view to upgrading their skills, qualifications or knowledge for meeting up-to-date industry demands. To raise industry awareness, which is crucial to the development of the two sectors, MATF will also fund measures to help strengthen the promotion of maritime and aviation careers to the younger generations and the community at large.

17. In devising the new initiatives, we have paid special attention to the following two areas –

(i) *Support for the local vessel trade*

Since the collision of vessels incident near Lamma Island on 1 October 2012, it has been reflected to us that the local vessel trade has been facing great difficulties in recruiting coxswains, engine operators and deck/engine ratings to serve on board. The trade has

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⁶ Out of the \$50,000, it is estimated that \$20,000 will be used for covering the additional tuition fee, \$20,000 for the living expenses, and \$10,000 for the airfare.

called on the Government to devise measures to help attract new recruits and step up training for the current workforce in anticipation of marine safety improvement measures such as installation of equipment for safer navigation etc.; and

(ii) *Tripartite collaboration*

We believe that support from the industries and the training institutions are crucial to the successful implementation of measures to expand and upgrade our pool of talent, in particular proposed sector-wide initiatives. We will therefore place emphasis on collaboration among Government, industry and the academia.

18. We propose to earmark about \$60 million over five years from 2014-15 to 2018-19 for launching new initiatives under MATF. A more strategic and proactive approach has been adopted in devising new training and promotion initiatives, as set out in paragraphs 19 to 25 below –

- (a) Support for professional training of in-service practitioners in both maritime and aviation sectors, including the local vessel seafarers

19. To incentivise those already working in the maritime and aviation sectors, including local vessel seafarers, to attend courses and sit for examinations⁷ that are being offered by various education institutions, professional or trade bodies to gain qualifications and skills and assist practitioners who have not received any pre-employment maritime/aviation-related training or education in their career progression, we propose eligible participants to be reimbursed 80% of the fees upon satisfactory completion of an approved course or passing a relevant professional examination. Each individual may apply for fee reimbursement for more than one course/examination, up to a ceiling of \$18,000 per person. Upon the establishment of MATF, we will work out in consultation with the relevant trades, professional

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⁷ For example, on the maritime services side, the Institute of Chartered Shipbrokers runs a variety of courses and professional examinations related to a wide range of sectors including dry cargo chartering, ship operations and management, ship sales and purchases, liner trades and marine insurance etc. The Baltic and International Maritime Council (BIMCO) also runs the BIMCO Asia Shipping School that provides in-depth knowledge of the commercial aspects of shipping. On the sea-going and navigational side, there are preparatory courses offered by VTC and trade associations for acquiring qualifications as deck/engineering officers and coxswains. On the aviation services side, the International Air Transport Association and the Civil Aviation Department run a variety of aviation-related courses ranging from air navigation services, aviation security, ground operations, cargo and dangerous goods regulations etc. There are also professional language enhancement courses offered by non-governmental organisations or training institutes.

bodies and academia an approved list of courses/examinations that are generally recognised for their status, relevant to the industries, and appropriate for reimbursement. The list will be reviewed and updated from time to time. We estimate that about 2 460 people will be benefitted over the five-year period.

(b) Early exposure for university students to maritime-and aviation-related jobs through an Internship Network

20. Internship experience would give the young generation early exposure to the wide spectrum of career opportunities in the maritime and aviation sectors, in particular the former. We propose to invite companies in the maritime and aviation sectors to participate in the Internship Network and offer intern places during summer vacation. This scheme will be open to local students from the undergraduate programmes of UGC-funded institutions and the sub-degree programmes of VTC. Out of the monthly honorarium that the student will receive, MATF would contribute up to 75% or \$6,000 (whichever is the lower) for an internship period up to two months, while the remaining sum of honorarium as well as the cost for provision of guidance and coaching will be contributed by the companies. Both student interns and participating companies will be asked to provide an assessment after the internship. We estimate that about 1 200 students will be benefitted over the five-year period.

(c) Overseas learning opportunities for undergraduates of selected maritime-related disciplines

21. The maritime sector needs talent from various disciplines. It would be preferable if they have overseas exposure and some maritime knowledge. We therefore propose that sponsorships, at a fixed amount of not more than \$30,000 each⁸, be provided to students of selected maritime-related undergraduate programmes to enable them to complete one semester of credit-bearing maritime-related courses in a partnering overseas institution. The overseas institution(s) will be identified by the local universities concerned, in consultation with a Tripartite Taskforce on Manpower Training under MIC. We estimate that 100 students will be benefitted over the five-year period.

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⁸ The proposed level of sponsorship is estimated to cover about 80% to 90% of the additional expenditure incurred in respect of living expenses (about \$20,000) and air fare (about \$10,000). The students are expected to bear the remaining costs.

(d) Partial tuition refund scheme for specialised aircraft maintenance programme

22. We note from the industry that the aircraft maintenance industry suffers serious manpower shortage problem. According to aircraft maintenance operators at HKIA, most of their entry-level intakes are graduates from the two specialised aircraft maintenance programmes offered by VTC, namely, the Higher Diploma in Aircraft Maintenance Engineering and the Diploma in Vocational Education (Aircraft Maintenance). To offer young people an extra financial incentive to join the aircraft maintenance industry, we propose to provide students of the two specialised aircraft maintenance programmes with a one-off 50% refund of the total tuition fee on condition that they complete the programmes and join the aircraft maintenance industry. They will be required to sign an undertaking of working in the local aircraft maintenance industry for at least two years. We estimate that 600 students will be benefited over the five-year period.

(e) Financial incentive for young people to acquire the first professional qualification as coxswains or engine operators on local vessels

23. The local vessel trade faces great difficulties in recruiting coxswains, engine operators and deck/engine ratings to serve on board. While there is no entry requirement for becoming deck/engine ratings on local vessels⁹, they are required to accumulate about 12 months of sea-going experience before becoming eligible to sit for their first professional examinations¹⁰ as coxswains or engine operators. To attract new blood to join the local vessel trade, we propose that, modeling on SGTIS, financial incentive of \$2,500 per month on top of their salary be provided to deck/engine ratings newly employed by the local vessel trade up to 12 months (i.e. a maximum of \$30,000 per person in total). To further incentivise them to acquire professional qualifications, about \$12,000 of the \$30,000 incentive will be withheld until the rating passes the examination for Coxswain Grade 3 Certificate or Engine Operator Grade 3 Certificate. We estimate that about 250 persons will be benefitted over the five-year period. At the same time, these 250 persons, as well as other serving seafarers, may seek reimbursement under the refund scheme (item (a) above) of 80% of the fees for attending skills training courses or sitting for professional examinations.

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⁹ The 23-week Junior General Purpose Rating Course being offered by the Maritime Services Training Institute of VTC is a source from which the trade may recruit deck ratings.

¹⁰ The examination for Coxswain Grade 3 Certificate is the first professional qualification as coxswains and the examination for Engine Operator Grade 3 Certificate is the first professional qualification as engine operators.

- (f) A scholarship scheme for selected degree or higher degree programmes in the aviation sector

24. To encourage continuous professional enhancement for the aviation sector, we propose to provide full scholarships, capped at about \$100,000 each, to selected students to complete aviation-related degree or higher degree programmes. The cap of the scholarship amount is set having regard to the tuition fees of aviation-related bachelor degree and master degree programmes offered by local institutions¹¹. The exact scholarship amount to be offered will be subject to the tuition fees of the programmes identified for this initiative. Upon the establishment of MATF, we will form a dedicated committee, comprising representatives from the Government, industry stakeholders and education institutions to monitor and review the implementation of the initiatives concerning the aviation sector (including determining an approved list of programmes that are eligible for the scholarship scheme and selecting eligible students for the scholarship). The proposed scholarship will be granted on condition that the recipient undertakes to work in the sector in Hong Kong for one year after graduation. We estimate that about 25 persons will be benefitted over the five-year period.

- (g) Promotion initiatives

25. From time to time, the industries and non-profit making bodies organise promotional and out-reaching activities such as career talks in schools and expos. We propose that part of MATF (i.e. around \$7 million) be used for sustaining the industries' effort to reach out to the younger generations and the community at large. Particular focus will be on youngsters in their early secondary years by launching promotion initiatives such as career week and summer tour with maritime/aviation elements. We also plan to launch more targeted promotion strategies (e.g. embedding messages in TV-series/radio programmes, viral marketing techniques through social media networks) with a view to effectively promoting the "brand awareness" for the sectors.

26. A summary of the funding required under MATF for implementing the new initiatives, as well as the estimated number of beneficiaries, is tabulated at Encl. 3 Enclosure 3.

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¹¹ The tuition fees of Master of Science in Mechanical Engineering and Bachelor of Engineering (Honours) in Mechanical Engineering offered by PolyU are \$81,000 (one year full time or two and a half years part-time) and \$168,400 (four years full time) respectively.

Next Steps

27. Subject to funding approval for setting up of MATF, implementation details of each of the above new initiatives will be worked out through Government-industry-academia collaboration. The local universities concerned will identify overseas partnering institutions and work out the co-operation agreements, selection criteria and course requirements. We will continue to work with local vessel unions and trade associations on training for local seafarers. We will also engage the industry players and academia to work on the internship network, and other professional/trade bodies on the suitable training courses or examinations to be supported under MATF. We aim to roll out the various initiatives starting from 2014-15.

28. A Tripartite Taskforce on Manpower Training¹² under MIC will monitor and review the implementation of the initiatives concerning the maritime sector. Likewise, a dedicated committee, comprising representatives from the Government, industry stakeholders and education institutions will be formed to monitor and review the implementation of the initiatives concerning the aviation sector. We will review the usage of MATF regularly and fine-tune the implementation details in the light of practical experience and feedback. Refinements to the existing schemes and proposed new initiatives as well as other necessary new programmes may be introduced where appropriate within the overall scope of MATF during the implementation period.

FINANCIAL IMPLICATIONS

29. The projected cash flow requirement for MATF from 2014-15 to 2018-19 is as follows –

Financial Year	\$ million
2014-15	17.06
2015-16	17.68
2016-17	18.92
2017-18	22.92
2018-19	23.42
Total	100

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¹² The Taskforce comprises representatives from the Government, industry stakeholders, education institutions and the Sub-group on Maritime under the Economic Development Commission.

30. The above cash flow requirement does not include the funding required for three of the existing schemes in the early years of the five-year period. Specifically, SGTIS will not be using MATF until its funding is fully expended in around 2016-17. The Hong Kong Maritime Law Scholarship Scheme and Ship Repair Training Incentive Scheme will be funded by MATF from 2015-16 and 2016-17 respectively.

31. SGTIS was introduced since 2004 with a commitment of \$9 million. In May 2010, this Committee approved (vide FCR(2010-11)17) the increase in commitment from \$9 million to \$28.2 million for extending its operation. As at 30 September 2013, the remaining balance of SGTIS was \$14.3 million. As we propose to continue to use that approved commitment of SGTIS to pay for the increased subsidy of \$6,000 per month starting from 2014-15 until its funding is fully expended in around 2016-17, approval from this Committee is sought for the above proposed changes to the existing features of SGTIS.

PUBLIC CONSULTATION

32. We have consulted MIC, the Steering Committee on the Systemic Reform of the Marine Department, the Aviation Development Advisory Committee, and the Working Group on Transportation under the Economic Development Commission. We have also sounded out local seafarers unions, Hong Kong Shipowners Association, airlines, aircraft maintenance service providers, local universities, VTC and its Maritime Services Training Institute. All of them are supportive of the proposals.

33. We consulted the Legislative Council Panel on Economic Development on 16 December 2013 on the proposal of establishing MATF as well as initiatives to be undertaken under the Fund. Members were generally supportive of the proposals. Some Members suggested the Government to help secure more employment opportunities for the scheme beneficiaries. Indeed, we have been in close liaison with the industries in formulating the various incentive and scholarship schemes in order that our target beneficiaries are able to contribute to sectors where manpower shortage is most acute. Notwithstanding, we would make the best use of the tripartite collaboration to encourage the private sector, e.g. companies offering internship and cadetship, to provide employment opportunities for talents under MATF.

/BACKGROUND

BACKGROUND

The Maritime and Aviation Industries of Hong Kong

34. The maritime and aviation industries constitute around 3.7% (\$71 billion) of Hong Kong's Gross Domestic Product. The maritime sector alone creates 54 000 jobs¹³, representing 1.5% of total employment. As for the aviation sector, employment on the airport island alone is about 65 000, and the number is a few times more when indirect and induced jobs created by the aviation sector outside the airport island are taken into account. The two sectors are important growth drivers of Hong Kong's economy.

35. In the 2013-14 Budget, the Financial Secretary announced that a sum of \$100 million would be allocated to establish a training fund for maritime and aviation transport to sustain and expand various schemes and scholarships, and to implement other new initiatives. The objective of the fund is to help attract young people to enroll in related skills training and degree programmes and join the industry upon graduation, providing a wealth of vibrant and competitive talent for the industry, as well as to enhance training in the industry through other initiatives.

Transport and Housing Bureau
January 2014

¹³ Including jobs related to port-related activities, such as container terminals, transport of containerised goods and other related port services.

Existing Maritime-related Training Incentive/Scholarship Schemes

	Name	Launch year	Partner Institution	Objective	Description and current award amount	Total no. of persons benefitted
1	Sea-going Training Incentive Scheme	2004	Not Applicable ¹	To attract more local talents to take up sea-going training as cadets and subsequently become qualified personnel to fill a wide range of marine- and shore-based senior positions.	<u>Deck cadets</u> receive a subsidy of \$5,000 per month during the cadetship training for a period up to 18 months plus an examination fee remission of \$4,820. <u>Engineer cadets</u> receive a subsidy of \$5,000 per month during the cadetship training for a period up to 6 months plus an examination fee remission of \$1,930.	270
2	Ship Repair Training Incentive Scheme	2006	Vocational Training Council (VTC)	To attract more people to join the ship repair industry and undergo training to become skilled workers.	<u>Apprentices</u> receive a monthly subsidy of \$1,500 during their apprenticeship for up to 36 months (maximum \$54,000 in total).	152
3	Hong Kong Maritime and Logistics Scholarship Scheme	2007	Hong Kong Polytechnic University (PolyU)	To attract local, Mainland and overseas talents to undertake maritime studies in Hong Kong and in turn serve the Hong Kong maritime sector.	<u>Selected PolyU students of the Master of Science in International Shipping and Logistics</u> to receive scholarships of \$177,130 each which covers the full tuition fee and a living allowance ² .	87

¹ The scheme is administered by the Marine Department.

² Scholarship recipients are required to work in the Hong Kong maritime sector for a period not less than 12 months after graduation.

	Name	Launch year	Partner Institution	Objective	Description and current award amount	Total no. of persons benefitted
4	The University of Hong Kong (HKU) – Dalian Maritime University (DMU) Academic Collaboration Scheme	2008	HKU and DMU	To nurture professionals well-versed in the Hong Kong and Mainland legal systems as well as the specialised field of maritime law and in turn serve the Hong Kong maritime sector.	<p><u>Selected DMU students</u> to receive scholarships of \$169,000 each which covers the full tuition fee for enrolling in the Master of Common Law at the HKU².</p> <p><u>Selected HKU students</u> to receive sponsorships of around \$15,000 each to attend Summer Course at DMU.</p> <p><u>Selected Hong Kong practitioners</u> to receive sponsorships of around \$5,000 each to attend Executive Training at DMU.</p> <p><u>Visiting professor from DMU</u> to teach elective courses on Mainland shipping law at HKU at the cost of about \$100,000 per semester.</p>	471
5	Hong Kong Maritime Law Scholarship Scheme	2010	City University of Hong Kong (CityU)	To help build up a pool of maritime law professionals and in turn serve the Hong Kong maritime sector.	Selected CityU students of the <u>Master of Laws in Maritime and Transportation Law</u> to receive scholarships of \$108,960 each which covers the full tuition fee ² .	24
Total						1 004

Sustaining, Enhancing and Expanding the Existing Schemes – Funding Requirement and Beneficiaries

	Description	Partner Institution	Target	Estimated no. of persons to be benefited in five years	Estimated funding required under MATF for five years \$ million
1	Sea-going Training Incentive Scheme	Not Applicable	Sea-going Deck/Engineering cadets	265	8.1
	<u>Enhancement</u> : Increasing the monthly subsidy under the Sea-going Training Incentive Scheme from \$5,000 to \$6,000				4.3
2	Ship Repair Training Incentive Scheme	VTC	Skilled workers	75	2.2
3	Hong Kong Maritime Law Scholarship Scheme and the Hong Kong Maritime and Logistics Scholarship Scheme	CityU and PolyU	Postgraduate students of maritime programmes	90	11.9
	<u>Enhancement</u> : Overseas learning and exposure for students of the two postgraduate programmes under the Hong Kong Maritime Law Scholarship Scheme and the Hong Kong Maritime and Logistics Scholarship Scheme			40	2
4	HKU-DMU Academic Collaboration Scheme	HKU and DMU	University students of selected maritime-related programmes and in-service practitioners	455	9
	<u>Enhancement</u> : Academic collaboration with the Shanghai Maritime University (SMU)	SMU		80	2.4
Total				1 005	39.9

New Training and Promotion Initiatives – Funding Requirement and Beneficiaries

	Initiative	Objectives	Partner Institution	Description	Estimated no. of persons to be benefited in five years	Estimated funding required for five years \$ million
1	Support for professional training of in-service practitioners in both maritime and aviation sectors, including the local vessel seafarers	To upgrade the competency and professionalism of our in-service practitioners.	Organisations offering the courses/ examinations concerned	<ul style="list-style-type: none"> • For in-service practitioners to reimburse 80% of the course/examination fees, up to \$18,000 per person. • Reimbursable courses/examinations to be nominated by the industries 	2 460	13.5
2	Early exposure for university students to maritime- and aviation-related jobs through an Internship Network	To provide eye-opener to students by giving them early exposure to the sectors so that they may consider joining the relevant sectors after graduation.	UGC-funded institutions, VTC and Airport Authority	<ul style="list-style-type: none"> • For local students from the undergraduate programmes of UGC-funded institutions and the sub-degree programmes of VTC, if they are recruited as interns by participating companies. • MATF to contribute up to 75% or \$6,000 (whichever is lower) of the monthly honorarium to be paid to each student for an internship period up to two months. 	1 200	14.4

	Initiative	Objectives	Partner Institution	Description	Estimated no. of persons to be benefited in five years	Estimated funding required for five years \$ million
3	Overseas learning opportunities for undergraduates of selected maritime-related disciplines	To cultivate business and general talents for the maritime sector who, better still, have global exposure and possess network with international counterparts.	Hong Kong University of Science and Technology and Chinese University of Hong Kong	<ul style="list-style-type: none"> • For undergraduates of maritime-related disciplines (to be nominated by the maritime sector) who opt to undertake one semester of credit-bearing overseas studies on maritime-related subjects under the arrangements to be made by the institutions concerned. • MATF to provide sponsorships, on a fixed amount basis of about \$30,000 each. 	100	3
4	A partial tuition refund scheme for specialised aircraft maintenance programme	To give young people an extra financial incentive to choose specialised aircraft maintenance programme and join the industry after graduation	VTC	<ul style="list-style-type: none"> • For graduates of the specialised aircraft maintenance programme and have entered the aircraft maintenance industry. • MATF to provide one-off tuition refund of 50% of the total tuition fee, capped at \$30,000 each. 	600	12

	Initiative	Objectives	Partner Institution	Description	Estimated no. of persons to be benefited in five years	Estimated funding required for five years \$ million
5	Financial incentive for young people to acquire the first professional qualification as coxswains or engine operators on local vessels	To attract more young people to join and support the local vessel trade by serving on locally licensed vessels.	VTC and organisations offering relevant training	<ul style="list-style-type: none"> • For graduates of the Junior General Purpose Rating Course (or other equivalent training) who is employed by the local vessel trade. • MATF to provide \$30,000 as incentives for each deck/engine rating newly employed by the local vessel trade to accumulate the required sea time (about one year) and pass the professional examination for Coxswain Grade 3 Certificate or Engine Operator Grade 3 Certificate. 	250	7.5
6	A scholarship scheme for selected degree or higher degree programmes in the aviation sector offered by recognised local (or overseas) education institutions	To help build up a pool of aviation professionals and in turn serve the Hong Kong aviation sector.	Institutions offering the programmes concerned	<ul style="list-style-type: none"> • For selected students who pursue a selected degree or higher degree programme in the aviation sector by recognised education institutions. • MATF to provide full scholarships capped at about \$100,000 each. 	25	2.5

	Initiative	Objectives	Partner Institution	Description	Estimated no. of persons to be benefited in five years	Estimated funding required for five years \$ million
7	New promotion initiatives	To reach out to the younger generations and the community at large, in particular youngster in their early secondary years, to promote the “brand awareness” of the maritime and aviation sectors.	Industry associations	<ul style="list-style-type: none"> • To support industry associations to organise promotional and outreach programmes to the younger generations and the community at large, in particular early secondary school students. • To adopt non-traditional promotion strategies such as promotion events by TV/radio stations and social media network such as facebook. 	Not Applicable	7.2
Total					4 635	60.1
