APPENDIX 23

政府總部運輸及房屋局

運輸科

香港添馬添美道2號 政府總部東翼



Transport and Housing Bureau

Government Secretariat

Transport Branch

East Wing, Central Government Offices, 2 Tim Mei Avenue, Tamar, Hong Kong

本局檔號 Our Ref.

來函檔號 Your Ref. CB4/PAC/R69

18 January 2018

Mr Anthony Chu Clerk to Public Accounts Committee Legislative Council Complex 1 Legislative Council Road Central Hong Kong

Dear Mr Chu,

Public Accounts Committee

Consideration of Chapter 2 of the Director of Audit's Report No. 69 Procurement and maintenance of government vessels

Thank you for your letter of 9 January 2018 on the captioned, requesting information with regard to the measures taken/to be taken to address the shortage of manpower in the maritime industry, and to enhance competition in the procurement of maintenance service in Hong Kong at the policy level. The requested information is enclosed at **Annex**.

Yours sincerely,

(Ms Louisa Yan

for Secretary for Transport and Housing

c.c. Director of Marine

(Fax No. 2850 8810)

Secretary for Financial Services & the Treasury (Fax No. 2147 5239)

Director of Audit

(Fax No. 2583 9063)

Public Accounts Committee

Consideration of Chapter 2 of the Director of Audit's Report No. 69 Procurement and maintenance of government vessels

Measures to address shortage of manpower in the maritime sector

To nurture talents for the long-term development of the maritime and port industry, the Government established the Maritime and Aviation Training Fund ("MATF") with a commitment of \$100 million in April 2014. MATF aims at attracting and encouraging young people and in-service practitioners to receive aviation and maritime education and training, thereby enhancing the overall competitiveness and the professional standards of the industries. On maritime front, as at end-2017, the MATF has already benefitted over 2 780 students and maritime practitioners, involving an amount of \$31 million. At present, there are a total of 12 maritime-related training subsidy and incentive schemes funded under MATF, including the Maritime and Aviation Internship Scheme ("MAIS"), the Hong Kong Maritime and Logistics Scholarship Scheme, the Local Vessel Trade Training Incentive Scheme and the Sea-going Training Incentive Scheme.

Apart from the above subsidy and incentives schemes, sponsorships are provided under MATF for respective maritime-related organisations such as the Hong Kong Seamen's Union and the Maritime Professional Promotion Federation to organise promotion activities targeting secondary and tertiary students to introduce them to the maritime industry and seafaring careers. We have also engaged the Hong Kong Maritime Museum ("HKMM") to produce a maritime-themed education learning pack for the senior secondary school students, so as to offer them an early exposure and understanding of subjects with maritime elements, with the hope of inspiring them to consider the maritime industry as a possible career choice.

To step up promotional efforts to encourage young people in Hong Kong to join the maritime profession, the Government has been participating in the annual Education and Careers Expo and organising various maritime promotion and awareness events during the Hong Kong Maritime Week in collaboration with the Hong Kong Shipowners Association and the HKMM. We have also been collaborating with the industry to provide internship positions for tertiary students under the MAIS. Since its

inception in 2014, a total of 557 students have undertaken the internship places offered by 118 maritime-related companies under MAIS.

All in all, the Government will continue to work closely with the Manpower Development Committee under the Hong Kong Maritime and Port Board, the maritime industry stakeholders and various training providers to review the operation of the MATF, devise more initiatives and implement suitable measures, with a view to catering for the manpower needs of the maritime and port industry and building a vibrant pool of maritime talents for Hong Kong.

Measures to enhance competition in the procurement of maintenance service in Hong Kong at the policy level

As reported at the 3rd hearing of the Public Accounts Committee held on 9 January 2018, MD has implemented measures with a view to enhancing competition in the procurement of vessel maintenance service in Hong Kong, including lengthening the duration of contracts and considering bundling similar services in a single contract to make them more attractive to potential bidders. On top of this, MD has invited the Independent Commission Against Corruption to assist in reviewing the tendering process of vessel maintenance contracts, with a view to ensuring a fair procedure and enhancing competition. Besides, MD has approached the Competition Commission to seek its expert assistance in reviewing the procurement of maintenance services in the Government Dockyard to enhance competition. Subject to the findings of the reviews, the Transport and Housing Bureau will examine issues which require policy steer and provide necessary support for the implementation of any improvement measures.