For discussion on 26 November 2012

Legislative Council Panel on Economic Development

Pilotage (Amendment) Bill 2012

INTRODUCTION

This paper briefs Members on our proposals to amend the Pilotage Ordinance (Cap.84) ("the Ordinance") and its subsidiary legislations to improve their operation in the light of experience gained over the years.

BACKGROUND

- 2. In line with the international practice, compulsory pilotage is required for all ships visiting Hong Kong that are of 3,000 gross tonnage or over, or as specified in Schedule 1 to the Ordinance, in order to facilitate the safe navigation of non-local vessels within Hong Kong waters. Towards this objective, the Ordinance has laid down detailed provisions for the regulation of pilotage services. These include the licensing of pilots, by the Director of Marine in his capacity as the Pilotage Authority, to perform pilotage services for specified length of vessels according to the qualifications and experience attained, arrangements for disciplinary proceedings, the pilotage dues charged, etc.
- 3. At present, there are 106 licensed pilots and some 5,000 pilotage services are performed each month. Taking account of the past operational experience and the latest industry needs, we propose to take forward legislative proposals in a number of areas as set out in the ensuing paragraphs.

PROPOSALS

Licensing of pilots

4. There are five classes of pilotage, namely Class I, IIA, IIB, IIC and IID as provided in Schedule 2 to the Pilotage Order (Cap. 84C). The class of pilotage service is determined by the length of a vessel to

which a licensed pilot could serve. A working pilot with a Class I licence could pilot a vessel of any length whereas a pilot with a Class IIA, IIB, IIC or IID licence could only pilot a vessel of length not exceeding 260 metres, 220 metres, 165 metres or 150 metres respectively. Section 9A of the Ordinance allows a licensed pilot who has reached the retirement age of 65 to apply for permission to continue to work for any period not exceeding 12 months until he reaches 68, subject to re-examinations as to his physical and mental fitness and his eyesight as set out in section 10 of the Ordinance. However, under the extended service period, the licensed pilot is only permitted to work in Class IIC, despite that he has a long service as a Class I pilot.

5. The existing requirement to downgrade the qualifications of a licensed pilot beyond the age of 65 (and up to 68) is not conducive to the preservation and effective use of valuable experience and expertise in handling the mega size vessels, or in training junior pilots. The industry proposed and we agree that amendments be made to allow working pilot beyond the age of 65 who has satisfactorily fulfilled the examination as to his physical and mental fitness and his eyesight, to retain the same class of licence, until the statutory limit of 68 years of age.

Pilotage for vessels

(i) Vessels of gross tonnage \geq 1,000 and < 3,000

6. Compulsory pilotage is a general requirement for all ships of 3,000 gross tonnage or over under section 10C of the Ordinance. account of the busy traffic situation at and near to the Kwai Tsing container terminals, the law further requires that compulsory pilotage applies to ships of 1,000 gross tonnage or over that are proceeding to or from the container terminals. This mainly involves the river trade cargo vessels that are regularly plying between the Mainland and Hong Kong. The Marine Department (MD) has reviewed the operational experience in traffic management for these vessels, including the requirement for them to seek prior approval from MD's Kwai Chung Control Station before entering the container terminal basin and the restriction on their After review, MD considers that with the maximum number at berths. established traffic management measures and improved technology such as the installation of Automatic Identification System to track the speed and routing of those vessels, there is no need for compulsory pilotage of vessels under 3,000 gross tonnage proceeding to or from the container terminals. We propose to amend Schedule 1 to the Ordinance accordingly.

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(ii) Location of the pilot boarding station near to Lam Kok Tsui in Urmston Road

7. Schedule 2 to the Ordinance has specified a list of pilotage boarding stations within Hong Kong waters where pilots board or disembark the vessels on their inward voyage to, or outward voyage from, Hong Kong. To improve navigation safety, MD proposes to change the location description of the existing pilotage station in Urmston Road to a position of about 1.5 nautical miles north. The change can shorten the distance that ships entering or leaving Hong Kong may navigate without pilots. A chart is attached at **Annex** to show the original and new locations of the pilot boarding station.

Miscellaneous amendments

- 8. We also propose to make a number of miscellaneous amendments to improve the administration of the Ordinance. They include the proposals to
 - (i) provide for remuneration to be payable to members of a board of investigation (BOI) appointed under Regulation 4 of the Pilotage (Disciplinary Procedures) Regulations (Cap.84B) at a rate to be determined by the Secretary for Transport and Housing, who shall take account of the amount of work and time occupied by the members upon the business of the board, similar to the existing mechanism adopted for determining the remuneration payable to the assessors of a marine court appointed under section 52 of the Merchant Shipping Ordinance (Cap.281). In the past, remuneration was paid to members of BOI on an administrative basis at the same level as the assessors of a Marine Court¹;
 - (ii) prescribe the fees for the services rendered by MD in processing applications for exemption from compulsory pilotage submitted under section 10D of the Ordinance. At present, MD has charged fees according to "fees for miscellaneous services" prescribed under Regulation 7 of the Merchant Shipping (Fees) Regulations (Cap.281F) at a rate of \$3,270 for the first hour or part hour and \$1,115 for each subsequent hour or part hour for the visit made by MD to assess the master's ship handling skills and complete related

¹ The rate was HK\$4,200 per day in 2002 when the last BOI was held.

- administrative procedures. We propose that the fees be prescribed directly under the Ordinance for the avoidance of doubt:
- (iii) expand the representation of the Pilotage Advisory Committee² established under section 4 of the Ordinance by adding a new member representing the local shipping agencies. Shipping agencies act on behalf of ship-owners to facilitate the entry, berthing, unloading/unloading and departure of vessels by fulfilling documentary requirements and coordinating with the relevant parties; and
- (iv) improve the legal text by replacing "the Hong Kong Pilots Association Limited" with "the person who recruited the registered apprentice pilot" in section 9 of the Pilotage Order (Cap.84C) in stipulating the responsibility for paying remuneration to an apprentice pilot.

CONSULTATION

9. The Pilotage Advisory Committee, which comprises various stakeholders in the shipping industry, was consulted and endorsed the legislative proposals.

ADVICE SOUGHT

10. We plan to introduce the Pilotage (Amendment) Bill 2012 in the current legislative session. Members are invited to comment on the above proposals.

Transport and Housing Bureau November 2012

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² Under section 4 of the Ordinance, the Pilotage Advisory Committee shall comprise representatives of various stakeholders in the shipping industry including shipowners, liner operators, container terminal operators, the dockyard industry, etc.

Annex

