

Hong Kong's maritime industry sees opportunities in Trump era

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If US President Donald Trump goes through with his infrastructure plans it will create opportunities for Hong Kong's shipping businesses, industry veteran predicts

Hong Kong may no longer be the maritime superpower it once was, but one industry veteran has predicted that their luck may be about to change, courtesy of an unlikely ally – US president - Donald Trump.

Central themes during Trump's election campaign were to bring manufacturing back to America, enact protectionist policies against countries that apply tariffs to American goods, and focus on rebuilding infrastructure.

While many businesses that relied on the world's biggest market were rattled by these statements, worried that they may lose access to the US economy, the shipping industry, heavily reliant on goods being shipped to the US, sees a different type of opportunity emerging.

[Shipping sector set for choppy waters ahead as freight rates stay volatile, says UBS](#) [1]

"[Trump's] economic and trade policies have not be completely formed yet," chairwoman of the Hong Kong Shipowners Association Sabrina Chao Sih-ming said. "But Trump also said that [the US is] going to have many infrastructure projects. That is very good news," as raw materials and special equipment will have to be imported in order for Trump's infrastructure plans to be fulfilled.

Chao is also the chairwoman and heiress to the Wah Kwong shipping empire, who took control of the company in 2013.

Hong Kong's maritime industry has been in a rough spot since China liberalised trade and cabotage rules. The city had the world's busiest container port for 12 years, from 1992 to 2004, but now stands in fifth place, with regional ports taking the top ranks.

Shipping analysts believe that, as a shipping and logistics hub, Hong Kong's best days are behind it. But Chao believes that the city still has a lot to offer and maintains an advantage that port cities in the region will find hard to beat.

"First of all, we have to distinguish between the maritime business and the port business. [The shipping industry] is so much more than just our port," Chao said.

"The port business is only one aspect of our business. Our ships trade globally; most of our ships never come to Hong Kong. Our shipping registry is ranked fourth in the world, and we have 100 million gross tonnes registered under the Hong Kong flag."

[Shipping industry vulnerable to cyber attacks and GPS jamming](#) [2]

Chao dismissed suggestions that shipping was a sunset industry in Hong Kong, but she admitted that the industry is "currently going through a very bad time".

“Competition is fierce, but there is always a need for goods to be transported, unless it’s the end of [global trade],” she said.

In an effort to “attract new blood and groom talent for the maritime and aviation sectors”, the government set up a HK\$100 million maritime and aviation training fund in 2014.

Chao believed that the perception of shipping being a career path only for low-skilled workers was false: “If you think about a bulk carrier, something that’s in the region of US\$10 million to US\$15 million in assets with a crew of 20 people, and the captain is basically in charge of that, how many youngsters do you know get to run an asset of that magnitude and show off your leadership skills?” she said.

While the work is typically male-dominated, Chao said the industry “does not discriminate”, citing more female captains and women coming up the ranks of the industry as examples.

Topics: Transport & Logistics

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