

Hong Kong needs a shipping minister to help develop this strong yet threatened industry, writes George Chao

# Take the helm

**T**he debate on whether Hong Kong needs a dedicated shipping minister has helped bring into focus the contribution the shipping industry makes to the life of the city. The call for dedicated representation in government is not a belated cry for help from a dying industry. Shipping is a growth industry in a competitive global marketplace with specific economic, employment and environmental issues for Hong Kong.

The city can justifiably claim to be Asia's maritime centre. Hong Kong is a global industry leader, whether measured by its core base of shipowners – many of whom came here from mainland China in 1949 – or by its new breed of homegrown, business success stories such as Pacific Basin Shipping and Noble Group's logistics arm, or by the wealth of shipping-related companies that operate here.

That position is now under threat from our regional rivals. It is time our government acknowledged both the importance of this sector and the need to

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ensure Hong Kong retains its position as Asia's foremost shipping hub.

To have the shipping industry dealt with by the same government department as housing verges on an insult to the industry. Housing is a big enough issue on its own and is far removed from transport. There is no other country or territory with a shipping industry as large as ours – or which contributes as much to the economy – which lacks dedicated government representation.

On a visit to Beijing, members of the Hong Kong Shipowners Association were assured by central government officials that Beijing supports Hong Kong and would do everything it could to help promote our shipping and maritime industry. The Beijing officials asked to be put in touch with their opposite number on shipping matters in Hong Kong, but there is no such department – and an opportunity is being missed.

Our industry is not trying to relive the

past, when Hong Kong's maritime leaders vied with the big names of Greece and Norway as global shipping titans. What Hong Kong must do now is capitalise on the shift in global trade; with the majority of world shipping controlled in Asia, the balance of power is moving east. European companies involved in any aspect of the shipping industry must now have a clear vision of how they will position themselves in Asia – and increasingly they are opting for Singapore. Mainland companies seeking an "overseas" base or listing must continue to be lured to Hong Kong rather than elsewhere.

Our own maritime sector – whether through individual companies based here or the Shipowners Association – is constantly pushing the merits of Hong Kong as a great place to run a shipping business. But more must be done. This does not require expensive marketing jaunts to industry talking shops or places where there is little chance of attracting business.

The recent Maritime Industries Council trip to Malaysia is a case in point: most people in the industry saw it as a total waste of time. There have been too many ill-starred initiatives in the past, trying to attract "new" industries to Hong Kong. We now have a chance to attract business in a field where we have existing expertise and a proven track record.

Industry and government must work together to ensure that the benefits of Hong Kong are promoted and enhanced. An increased number of double-taxation agreements is just one area that needs urgent attention. On the home front, efforts to attract people into the industry – for careers at sea or ashore – must be improved.

Our industry suffers from a bad reputation for poor pay, yet a seafaring career is actually an attractive option for young people both in terms of basic salary and the prospects of a long-term career either at sea or ultimately on shore. We also need to maintain a steady stream of Hong Kong seafarers to be future harbour pilots and fill other functions in the Marine Department.

While Hong Kong's role as a container port will inevitably diminish as more traffic moves to ports elsewhere in the Pearl River Delta, our port will continue to handle a

significant volume of ships. The chance for us to address the environmental impact of shipping on Hong Kong – and to have a reasoned, informed debate on things like air pollution caused by shipping – must be seized so that the city can take the lead on initiatives that will have an impact beyond the city itself. Having faced up to legislation in other jurisdictions, Hong Kong's shipping industry is well placed to take the lead – and possibly to set an example for other parts of the transport sector, notably the bus companies.

Never has there been a better time to leverage the strength and history of Hong

Kong's shipping industry to embrace the future. If we are to claim to be Asia's world city, we should be capable of maintaining our position as a leader in this most global of industries.

Previous form suggests the government will hope this issue goes away. But it is time that shipping industry issues are recognised, both for their impact on Hong Kong as a commercial centre and on the environment.

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