

2006 Manpower Survey Report of the Transport Logistics Industry

Executive Summary

Background

1. The Transport Logistics Training Board of the Vocational Training Council was set up by the HKSAR Government to be responsible for, among other duties, determining the manpower situation and training needs in the Transport Logistics Industry (TLI). In third/fourth quarters 2006 the Training Board conducted a manpower survey of the TLI covering 9 branches: viz warehousing and cold storage, trucking and container haulage, air freight transport, forwarding agents, stevedore, sea freight transport, cargo handling terminals, international couriers and other transport logistics service providers.

Main Survey Findings

Manpower

2. The survey found that in third/fourth quarters 2006 the total manpower in terms of industry-related employees (i.e. excluding administrative and supporting employees) in the transport logistics industry was 94 362. (The total number of establishments was 12 836.) Their distributions are listed below:

	<u>Branch</u>	<u>Manpower by Job Level</u>				<u>All Job Levels</u>
		<u>Managerial</u>	<u>Supervisory</u>	<u>Clerical</u>	<u>Operative</u>	
(a)	Warehousing and Cold Storage	430	832	1 400	3 052	5 714
(b)	Trucking and Container Haulage	923	4 253	7 104	32 597	44 877
(c)	Air Freight Transport - Airline Companies	129	242	422	760	1 553
(d)	Forwarding Agents	3 362	5 438	14 405	2 890	26 095
(e)	Stevedore	53	166	128	981	1 328
(f)	Sea Freight Transport	864	1 178	1 778	338	4 158
(g)	Cargo Handling Terminals	130	918	1 072	2 924	5 044
(h)	International Couriers	205	366	845	1 567	2 983
(i)	Other Transport Logistics Service Providers	113	277	451	1 769	2 610
	All Branches	6 209	13 670	27 605	46 878	94 362

Vacancies

3. At the time of survey, the numbers of employees and vacancies are as follows:

<u>Branch</u>	<u>Number of Employees at the date of survey</u>	<u>Number of Vacancy</u>	<u>Total Manpower</u>	<u>Vacancies as % of Total Manpower</u>
(a) Warehousing and Cold Storage	5 675	39	5 714	0.68%
(b) Trucking and Container Haulage	44 222	655	44 877	1.46%
(c) Air Freight Transport	1 529	24	1 553	1.55%
(d) Forwarding Agents	25 669	426	26 095	1.63%
(e) Stevedoring Services	1 317	11	1 328	0.83%
(f) Sea Freight Transport	4 117	41	4 158	0.99%
(g) Cargo Handling Terminals	5 026	18	5 044	0.36%
(h) International Couriers	2 948	35	2 983	1.17%
(i) Other Transport Logistics Service Providers	2 596	14	2 610	0.54%
All Branches	93 099	1 263	94 362	1.34%

Turnover

4. The survey found that 11 140 employees left the establishments in the 12 months preceding third/fourth quarters 2006. The distribution of turnover by job level is as follows:

<u>All Branches</u>	<u>Managerial</u>	<u>Supervisory</u>	<u>Clerical</u>	<u>Operative</u>	<u>Total</u>	<u>% of Total Manpower</u>
Turnover	483	585	3 370	6 702	11 140	11.80%

Employees' Training Needs

5. The survey found that according to feedback from employers, 51 761 employees would require training of various kinds. The distribution of employees with training needs by job level is as follows:

<u>All Branches</u>	<u>Managerial</u>	<u>Supervisory</u>	<u>Clerical</u>	<u>Operative</u>	<u>All Job Levels</u>
Number of Employees required training	8 732	10942	16 829	15 258	51 761

Manpower Forecast

6. The Training Board forecasts that the TLI will have the manpower growth in the next three years as follows:

2006	94 362	Actual
2007	96 930	} Projected at annual rate of growth of 1.9% over 3 years
2008	98 388	
2009	99 843	

7. The Training Board projects that between 2007 and 2009, the annual training requirement for managerial and supervisory levels is between 857 to 1 127, that for clerical level is 856 to 1 127 and that for operative level 1 713 to 2 253.

Conclusions and Recommendations

8. The Training Board concludes that both the government and the industry should formulate strategies including the further development of logistics-related infrastructure and other operational improvements that are key success factors to the future of Hong Kong's TLI; e.g. the Logistics Park, the Hong Kong-Zhuhai-Macao Bridge, Container Terminal 10, air cargo terminal, additional runway, seamless multi-modal logistics services, customs clearance, central documentation etc,

9. In light of the rapid developments of the TLI in the Pan-PRD areas and in order to avoid duplication and unnecessary competition, the Training Board welcomes the government's initiative to establish a high-level cross-bureaux/departments co-ordination mechanism for devising and implementing forward-looking development plans for the TLI. (Action Agenda: the Report on Economic Summit on "China's 11th Five-Year Plan and the Development of Hong Kong").

10. The Training Board therefore supports the government's adoption of a more comprehensive policy to sustain and improve Hong Kong's high value-added services in supply chain operations. In this connection, the Training Board recommends that the government should work closely with the provincial and municipal governments to rationalize and optimize the overall land, air and sea freight handling capacities in the Pan-PRD region.

11. In this regard, the Training Board recommends that the industry should support the government in promoting the applications of high technology in the TLI, such as Electronic Data Interchange (EDI), Digital Trade and Transportation Network (DTTN) System, the Radio Frequency Identification (RFID) technology, On-Board Trucker Information System (OBTIS) etc.

12. The Training Board recommends that the industry should also support the government's initiative to establish a tripartite platform to prepare local talents for the TLI, in particular the sea freight and shipping industry, by sending representatives to this tripartite platform, the Advisory Committee on Human Resources Development in the TLI, and by offering more on-the-job training and scholarships to students/trainees in related disciplines, etc.

13. The Training Board concludes that human resource is one of our comparative advantages over neighbouring ports/hubs; therefore Hong Kong has to enhance its human resources to effect greater synergy and complementarity with our neighbours to capitalize on the expected continuous growth in the Pan-PRD areas. The Training Board recommends that both the government and the industry should interpret infrastructure development in the broad sense that should include human resources/manpower development. The Training Board further recommends that both employers and employees of TLI have to invest more in human resources development.

14. The Training Board further concludes that in order to maintain a balance in manpower demand and supply, the TLI may have to attract new entrants from other local sectors. The Training Board recommends that employers and course providers have to think of innovative ideas to attract, train and retain talents.

15. The Training Board recommends that course providers should further raise the overall standards of their courses using the forthcoming Qualifications Framework; in particular, they should place more emphasis on new technology to capitalize one-supply chain management and e-logistics applications.