LegCo Question No.15 (Written Reply)

Date of sitting : 17 November 2004

Asked by : <u>Hon Raymond HO</u>

Replied by : Secre

Secretary for Economic Development and Labour

<u>Question</u> :

It has been reported that as Southeast Asian countries are offering better quality goods at cheaper prices than Hong Kong, the local tourist industry has been under pressure in recent years. In this connection, will the Government inform this Council:

- (a) of the rates of increase/decrease in the number of inbound tourists from territories other than the Mainland in the past three years;
- (b) whether it has received any complaints about the lack of tourist attractions in Hong Kong in the past two years; if so, of the relevant details; and
- (c) of the measures it will take in the coming year to enhance the attractiveness of Hong Kong as a tourist destination?

<u>Reply</u>:

Madam President,

(a) The year-on year growth in the number of overseas tourists (i.e. excluding tourists from the Mainland) was static in 2001 due to terrorist attacks abroad, and was down significantly in 2003 due to the outbreak of SARS. With the concerted efforts of the Government, the Hong Kong Tourism Board (HKTB) and the travel trade, the tourism industry in Hong Kong revived quickly after SARS. There is considerable growth in the number of overseas tourists this year. In the first nine months of 2004, the number of overseas tourists has increased by 43.4% compared with the same period last year.

Year	Overall visitor arrivals	Overseas visitor arrivals (excluding Mainland)
2001	13,725,332	9,276,749
	(+5.1%)	(+0.03%)
2002	16,566,382	9,741,183
	(+20.7%)	(+5.0%)
2003	15,536,839	7,069,628
	(-6.2%)	(-27.4%)
Jan to Sep	15,758,092	6,778,617
2004	(+52.1%)	(+43.4%)

Figures on visitor arrivals in the past three years are as follows -

Note: figures in bracket show the year-on-year growth / reduction

- (b) In the past two years, the Tourism Commission (TC) has not received any specific complaints about the lack of tourist attractions. We have through various channels received views from the public on new tourist attractions.
- (c) To enhance the attractiveness of Hong Kong as a tourist destination, the Government will continue to invest in diversified tourism projects to cater for the needs of visitors. HKTB will devise promotional strategies for different target groups to attract visitors from all over the world.

Family visitors are one of our targeted segments in future. Tourism projects to be completed between 2005 and early 2006, including the Hong Kong Disneyland, Tung Chung Cable Car System and Harbour Lighting Plan Phase 2, are major projects with considerable appeal to family visitors. HKTB will step up publicity on Hong Kong as a family tourist destination and promote various attractions and special events.

To further develop the market potential of the high-yield business and high-spending segment, the Government is studying the development of spa and resort facilities, which will be completed early next year. The Government is also studying ways of providing new cruise terminal facilities and plans to invite proposals from the private sector soon. Green and cultural heritage tourism have become increasingly popular. We will make good use of our resources for their further development. At present, we have a number of projects working in this direction. The Hong Kong Wetland Park, scheduled for opening in early 2006, will be the largest man-made wetland park in Asia. We are also planning to take forward a pilot project on green tourism in Northern New Territories. We will consult the relevant stakeholders early next year after finalizing the master plan of the project.

On marketing, the HKTB will continue to organise various mega events in the coming year to attract more visitors and encourage their extension of stay, with a view to stimulating their spending in Hong Kong.

To enhance Hong Kong's attractiveness to visitors, manpower training and enhancement of overall service quality are equally important. In the coming year, we will continue to invest in human resource training for the industry through the Tourism Orientation Programme. The Service Quality Study on the overall service quality of tourism and related industries will also be completed in mid-2005. The findings will assist the industries to further enhance their service quality.

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