

**The 19th International Travel Expo Hong Kong (ITE HK 2005)
Opening Ceremony on 9 June 2005 (Thursday)
At 10:30am at Hall 1, HKCEC**

**Speech by Mr Stephen Ip,
Secretary for Economic Development and Labour**

KS [Tong], distinguished guests, ladies and gentlemen,

Welcome to the 19th International Travel Expo Hong Kong! Hong Kong is proud to host the ITE which has become one of the leading international travel exhibitions in the region. This year, about 500 international exhibitors from over 40 countries and territories, including over 40 tourism boards gather in Hong Kong to showcase their strengths and foster new business partnerships.

Being one of the economic pillars of Hong Kong, Hong Kong's tourism industry achieved spectacular growth in 2004 and made a number of records. First of all, visitor arrivals reached a record high of 21.8 million, representing a 40% growth over 2003, and 32% over 2002 which was the previous record. Total tourism expenditure associated with inbound tourism increases by 30.8% to over \$91 billion. Mainland China continued to be our largest source market, with over 12.2 million arrivals. Major long haul markets such as the USA, Europe and Australia also grew significantly, surpassing the level of 2002. Growth sustained in the first quarter of 2005, and we are particularly encouraged by the growth of our long-haul markets of about 20% during this period. All these figures illustrate that Hong Kong is doing well as Asia's premier tourist destination.

The second record is that Hong Kong, for the first time, was named the seventh most popular tourist destination in 2004 by the World Tourism Organisation, among the Top Ten Tourist Destinations in the world. It is even more encouraging to note that we are the only city destination on the list and we are on top

of the list in terms of average growth rate over the past 10 years. With the opening of Hong Kong Disneyland on 12 September, and the coming on-stream of other tourist attractions such as Asia's largest Wetland Park in early 2006 and the new version of 'Symphony of Lights' that will cover buildings on both sides of the Victoria Harbour, the Hong Kong Tourism Board (HKTB) estimates that visitor arrivals in 2005 will set another new record at 23.4 million.

We will do our best to maintain Hong Kong's leading position as Asia's premier tourist destination through the joint efforts of the tourism industry, the Hong Kong Tourism Board and the Government.

In the past years, we have strengthened our ties with our neighbours in Macau and Guangdong Province by developing new tourism itineraries that leverage on our competitive advantages and by facilitating electronic linkages that enhance information exchange. Joint promotions in overseas travel expos in Berlin and Japan, for example, have brought new business opportunities. These efforts are set to expand further with the new cooperative framework being formed in the Pan Pearl River Delta region. I am sure the tourism industry will benefit from such partnership and new opportunities.

As regards the changing market, the ITE Hong Kong provides the most convenient platform where the industry can stay attuned to customers' changing needs and keep up-to-date on market trends and developments. It provides a very useful forum for industry players to network and develop new business opportunities. This year, we are delighted to welcome the new pavilion of Latin America.

Lastly, I would like to thank the organizers of ITE for providing this excellent platform for business promotions and networking. I wish the ITE HK 2005 every success and all of you

a very rewarding stay in Hong Kong. Thank you.

Tourism Commission
Economic Development and Labour Bureau
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