

Speech by Commissioner for Tourism at 2011 Hong Kong Tourism Overview
(English only)

Following is a speech by the Commissioner for Tourism, Mr Philip Yung, at the 2011 Hong Kong Tourism Overview organised by the Hong Kong Tourism Board this morning (February 16):

Chairman (Mr James Tien), Anthony, friends from the travel trade, ladies and gentlemen,

Good morning. I would like to first wish you all happiness, good health and prosperity in the Year of the Rabbit.

After a challenging 2009, our tourism industry took a great leap forward in 2010. With the joint efforts of the tourism family, we received a record 36 million visitors with inbound tourist expenditure amounting to a staggering \$212 billion. I would like to express my heartfelt gratitude to the devotion and hard work of all of you here. Let's keep up the momentum for the further development of tourism in Hong Kong, while continuing to provide excellent service so that our visitors will become returning friends.

We must continue to make our best endeavours and ensure that Hong Kong remains a value for money destination. On the part of the Government, we will continue to make every effort to create the best infrastructure, environment and regulatory regime to enable our all-important tourism industry to go from strength to strength. Now, let me update you on our efforts in a few key areas.

First, on infrastructure development. The redevelopment project of Ocean Park is in full swing. With the opening of one of its major new attractions "Aqua City" last month, very high patronage, particularly during the Chinese New Year holidays, has been recorded for the Park. Two more fascinating new additions, the "Rainforest" and "Thrill Mountain", will be upcoming later this year which will make Ocean Park even more appealing.

The expansion plan of Hong Kong Disneyland is also going ahead at full steam, with the first new themed area "Toy Story Land" expected to start to receive guests by the end of this year. I am sure it will attract more visitors, particularly the fans of

"Woody" and "Buzz Lightyear". Hong Kong Disneyland is launching an extensive programme to celebrate its first five years of operation. It has already unveiled its new parade. The "Sleeping Beauty Castle" has also put on a new look.

Another major investment is the new cruise terminal at Kai Tak. Construction is well underway, and the terminal building and the first berth will come into operation in mid-2013. To prepare for the commissioning of the cruise terminal, one major task in the year for all of us is to enhance co-operation with neighbouring ports, develop interesting itineraries, promote regional cruise tourism products, and encourage manpower training in the cruise market and related industries.

On travel facilitation and sustaining visitor growth, the response to the multiple-entry Individual Visit endorsement for Shenzhen residents continued to be enthusiastic. This actually brought a total of 4.17 million visitors to Hong Kong last year. The scope of the Individual Visit endorsement for non-Guangdong residents in Shenzhen was also expanded last December. Another area of our work is to facilitate Hong Kong travel agents to do business on the Mainland under CEPA. We have been lobbying on their behalf for approval for them to operate outbound tours for Mainland residents. This will be a priority for us and we will continue to impress the Mainland authorities on this.

In the light of visitor growth, the Government has undertaken various initiatives to promote hotel development in Hong Kong. Since 2008, the hotel accommodation tax has been waived. The Government has also designated a number of sites for hotel use only and facilitated the conversion of old industrial buildings and heritage into hotels. We will keep a close eye on the hotel supply situation and continue to encourage the development of new hotels.

Attractive tourist spots and increasing hotel rooms alone are not adequate for Hong Kong to maintain our position as a prime tourist destination in the region. And I must echo the Chairman's remark here. We should try our best to make our visitors feel at home. We are determined to ensure that our regulatory mechanism is effective in protecting their interests. As the tourism sector continued to grow, the Travel Industry Council of Hong Kong has over the years evolved into a comprehensive regulatory body for both outbound and inbound agents, as well as tourist guides and escorts. The TIC's work especially on regulation of outbound trade is well recognised, and it is embracing the huge challenge on regulating the rapidly growing Mainland inbound tours. As announced by the Chief Executive in

his Policy Address last October, we are conducting a review on the operation and regulatory framework of the entire tourism sector. Our aim is to have a system that can meet the needs of an ever-growing and increasingly complex industry, and help remove improper trade practices. We will consult various stakeholders during the review process, and I call upon the entire industry to contribute to this important task with the common objective of ensuring the healthy and sustainable development of the tourism sector.

In a moment, ladies and gentlemen, you will hear from Anthony the Tourism Board's vigorous marketing and promotion strategy this year. With landmark events, new tourism facilities and promotion in emerging markets to expand our visitor portfolio, and with us working as a team, I am confident that Hong Kong will remain a first-choice destination for tourists and business travellers around the world.

I wish you a fruitful overview today. Thank you very much.

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