"Integrity – Our Winning Edge" Ethics Conference for the Travel & Tourism Industry Theatre II, Hong Kong Convention and Exhibition Centre 9:00am, 21 March 2003

Speech by Ms Eva Cheng, Commissioner for Tourism

Commissioner, Mr Chen, Ladies and Gentlemen,

I am delighted to be here to meet so many key people from the tourism industry and speak to you about the Government's strategies to promote tourism development in Hong Kong.

2. These are indeed trying times for the tourism industry. no doubt that the Gulf war and the global issue of atypical pneumonia are affecting tourism worldwide and here in Hong Kong. However, as a community, we are responding to the situation professionally and responsibly. There is no better way to show the world that Hong Kong is indeed Asia's World City than by our handling of the current situation. I am very encouraged by the highly responsible way the members of the trade – the airlines, tour operators and hoteliers - are playing their part to make sure that we maintain our service standards. The most important thing, and I cannot emphasise this more, is that the world perceives Hong Kong positively because of the way we are managing the current situation. I hope the negative effects, at the end of the day, will be short-lived. I am confident that the goodwill and image-building, however, will be long-lasting.

3. The same principle applies when we, as an industry, come together to talk about integrity and ethical practices. It is also an investment for the long term. So what is the Government doing to make sure that Hong Kong maintains its edge as a premier tourism centre? Let me outline our ongoing initiatives on tourism development.

Development of Tourism Infrastructure

- 4. The tourist attractions of a destination play a key role in travellers' choice of a destination. We already have many well known and popular tourist attractions in the territory but visitors worldwide are looking for new and exciting experiences. Adding to the range of our tourist attractions is therefore essential.
- 5. The Hong Kong Disneyland, scheduled to open in 2005, is important for a number of reasons. First, it will of course be an exciting new attraction. More than that, it opens up a whole new area of opportunity to develop family tourism. Disney also brings with it an important benefit arising from the fact that Disneyland stands for the best in its market: the best theme park, the best quality of service and experience and also the best training. The challenge of Disney to Hong Kong's tourism sector is a simple one: let's raise our standards and be the best in all we do.

- 6. Equally familiar to all of you is the Tung Chung Cable Car project which has a target opening date also in 2005. Passengers will be able to enjoy the truly spectacular view and be given a new way to explore the hidden side of Lantau Island. Again, this project is ground-breaking, because it not only opens up a new area for tourism but does so in a creative and yet environmentally sensitive way, fully respecting the spiritual nature of Ngong Ping. Here, the challenge to the industry is how to benefit from this new facility in a comprehensive way.
- 7. I understand that green tourism is increasingly popular among our visitors. The Hong Kong Wetland Park provides a unique opportunity for local residents and visitors to appreciate our ecological resources. The Phase I development has already attracted over 200,000 people since its opening in December 2000. Its full opening in 2005 will allow us to draw visitors interested in green tourism. The challenge for us is to make this ecological facility a popular item on every visitor's itinerary.
- 8. Apart from building brand new attractions, we must showcase some of the features which truly make Hong Kong unique, particularly our "East meets West" heritage and culture. An example of what can be done is the conversion of the Former Marine Police Headquarters in Tsim Sha Tsui for tourism use. We have received six proposals from the private sector. We aim to announce the successful tenderer in May. The next project in a similar vein will be the development of the Central Police Station, Former Central Magistracy and Victoria Prison. Making use of our heritage assets will provide yet another challenge to ensure these sites are redeveloped creatively having due regard to heritage preservation.

9. The more long term tourism infrastructural plans include an exciting array of projects: the development of a tourism node in Southeast Kowloon with a modern cruise terminal, a tourism node in Aberdeen and resort/spa/golf facilities on Lantau Island. All these will give Hong Kong a boost as a tourist destination.

Upgrading of Tourism Services

- 10. While visitors come to a destination because of the attractions on offer, the experience of a visitor, particularly in terms of service quality and hospitality received, is crucial to his/her impression about a destination.
- One of the major steps we have taken to ensure visitors are received properly in Hong Kong is the enactment of the legislation in November 2002 to regulate inbound travel agents. We are working with the Travel Industry Council of Hong Kong to improve the service standards in this important sector of the travel trade. I am sure the conference today will help the trade to understand how ethical practices can contribute to their business and to consider ways to ensure that best practice is adopted throughout the industry.
- One of the most important areas where service standards can be upgraded is in respect of a structured training programme for our frontline staff. We are now working with the trade on a certification scheme for tour guides under which they will be required to go through training, pass examinations and obtain a certificate before taking up the jobs. This measure is a key step in the process to upgrade the standards of this trade and build up our reputation among travellers.

13. For the restaurant and the retail sector, the Quality Tourism Services Scheme of the Hong Kong Tourism Board (HKTB) provides consumers with the confidence to spend their money here. Here again the concept of service excellence in the retail and restaurant sectors is brought to the fore as the scheme offers an easy way for visitors to identify reputable shops and restaurants offering quality goods and services. Of course, it is not only visitors who benefit from this scheme; local residents are increasingly looking to QTS accredited shops for quality services and products. I whole-heartedly welcome the HKTB's plans to expand and relaunch the scheme. In addition, the Travel Industry Council of Hong Kong implements a 100% refund policy among its members under which outlets included in tour itineraries must offer full refund for merchandise returned to them within 14 days.

Facilitation of Visitors' Entry

With many attractive tourist attractions in the pipeline and a good workforce in the industry, we are prepared to receive many more tourists forecast to come to Hong Kong. We are continuing with our efforts to liaise with the Mainland authorities on measures to further facilitate Mainland visitors' entry. This is both a challenge and opportunity for us: we have to make ourselves ready, in terms of capacity and services offered, to meet the influx of Mainland visitors; and this influx will allow our tourism industry to soar further.

[Partnership with Hong Kong Tourism Board and the Travel Industry]

All these efforts will be wasted if potential visitors are not aware of them. We place a lot of emphasis on working closely with the Hong Kong Tourism Board to promote Hong Kong globally. Their worldwide network explores new market for Hong Kong and strengthens our position in established markets. Their joint promotional efforts with nearby destinations, especially with the Mainland, also allow us to meet the increasing popular demand for multi-destination tourism.

Conclusion

- Ladies and Gentlemen, you are all practitioners in one of the most important sectors of Hong Kong's economy. We are investing time, effort, ideas and hard cash to ensure the sustainable growth of the industry. Together we can help maintain Hong Kong as the most popular tourist destination and Asia's World City. The challenges are immense, but we must not be distracted from the importance of ethics to this future growth.
- 17. I hope all of you will make full use of the conference to discuss and contribute ideas on how to maintain the integrity and quality of services we provide to all our visitors. This conference will provide an opportunity for us to build a partnership between the Government and different sectors of the trade to ensure that integrity becomes our winning edge.
- 18. Thank you.

Tourism Commission

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