

**Replies to supplementary questions raised by Finance
Committee Members in examining the Estimates of Expenditure 2010-11**

**Director of Bureau : Secretary for Commerce and Economic Development
Session No. : 5**

Reply Serial No.	Question Serial No.	Name of Member	Head	Programme
<u>S-CEDB(CIT)01</u>	S021	TSE Wai-chun, Paul	152	Subvention: Hong Kong Tourism Board
<u>S-CEDB(CIT)02</u>	S022	TSE Wai-chun, Paul	152	Travel and Tourism
<u>S-CEDB(CIT)03</u>	SV003	LEUNG LAU Yau-fun, Sophie	78	

**CONTROLLING OFFICER'S REPLY TO
SUPPLEMENTARY QUESTION**

Reply Serial No.

S-CEDB(CIT)01

Question Serial No.

S021

Head : 152- Government Secretariat: Subhead (No. & title) :
Commerce and Economic
Development Bureau (Commerce,
Industry and Tourism Branch)

Programme : (7) Subvention: Hong Kong Tourism Board

Controlling Officer : Permanent Secretary for Commerce and Economic Development
(Commerce, Industry and Tourism)

Director of Bureau : Secretary for Commerce and Economic Development

Question :

The estimated expenditure of Hong Kong Tourism Board (HKTB) for the new financial year amounts to \$499.5 million. In the replies to my questions on the Estimates, the Government stated that only \$98.03 million was set aside for HKTB's publicity work for 2010-11 (Question No. 0666). Other provisions included \$30 million for MEHK Office's promotion work (Question No. 0874); \$37.45 million for HKTB's offices, including its worldwide offices (Question No. 0667); and \$150 million for promoting the cruise terminal and \$1.1 million for promoting Hong Kong/Taiwan cruise itineraries (Question No. 0668). But they only account for about \$170 million of the financial provision for HKTB.

Apart from the said \$170 million in expenditure, please provide a detailed expenditure breakdown for the remaining \$329 million.

Asked by : Hon. TSE Wai-chun, Paul

Reply :

The recurrent subvention for the Hong Kong Tourism Board (HKTB) in 2010-11 is \$499.5 million, covering its marketing expenditure and fixed costs such as staff remuneration and allowances as well as office rentals and other operating expenses. In addition to the recurrent subvention, the Government will consider providing the HKTB with non-recurrent additional funding for implementing specific marketing initiatives.

The table below sets out the different strategic focuses of the HKTB's marketing activities and the estimated expenditure in 2010-11:

Strategic Focus	Head Office (HK\$M)	Worldwide Offices (HK\$M)	Total (HK\$M)
1. Strengthen Hong Kong's destination appeal <i>(Includes part of the expenditure for advertisements, Announcements in the Public Interest (APIs), etc. mentioned in the</i>	50.1	77.8	127.9

Strategic Focus	Head Office (HK\$M)	Worldwide Offices (HK\$M)	Total (HK\$M)
<i>reply to Question No. 0666)</i>			
2. Adopt creative and effective communication approach <i>(Includes part of the expenditure for advertisements, Announcements in the Public Interest (APIs), etc. mentioned in the reply to Question No. 0666)</i>	16.8	55.4	72.2
3. Drive multi-destination co-operation with Mainland cities, Macau and selected Southeast Asian destinations	1.0	10.2	11.2
4. Foster stronger partnership with the trade	15.7	18.9	34.6
5. Grow MICE (Meetings, Incentive Travels, Conventions and Exhibitions) and cruise businesses <i>(Includes the expenditure for participating in major cruise industry events, promoting Hong Kong/Taiwan cruise itineraries in the Mainland, promoting MICE tourism, etc. mentioned in the replies to Question Nos. 0668 and 0874)</i>	47.6	11.5	59.1
6. Enhance quality service platforms	16.4	1.0	17.4
7. Drive organisational excellence	29.8	3.3	33.1
8. Others (a) Agency fees for overseas representatives (b) Exchange rate reserve (c) Non-key market reserve	0.0	12.4	12.4
Total	177.4	190.5	367.9

Signature _____

Name in block letters _____

MISS YVONNE CHOI

Post Title _____

Permanent Secretary for Commerce
and Economic Development
(Commerce, Industry and Tourism)

Date _____

8.4.2010

**CONTROLLING OFFICER'S REPLY TO
SUPPLEMENTARY QUESTION**

Reply Serial No.

S-CEDB(CIT)02

Question Serial No.

S022

Head : 152- Government Secretariat: Subhead (No. & title) :
Commerce and Economic
Development Bureau (Commerce,
Industry and Tourism Branch)

Programme : (6) : Travel and Tourism

Controlling Officer : Permanent Secretary for Commerce and Economic Development
(Commerce, Industry and Tourism)

Director of Bureau : Secretary for Commerce and Economic Development

Question :

Has the Advisory Committee on Travel Agents, which oversees the Travel Agents Registry (TAR), ever discussed the feasibility of combing the TAR with the Travel Industry Council of Hong Kong, with particular regard to the benefits to be brought to restructuring, expenditure savings and enhancement of cost-effectiveness as a result of the combination of the two bodies?

If not, can immediate actions be taken to carry out the study?

Asked by : Hon. TSE Wai-chun, Paul

Reply :

The Advisory Committee on Travel Agents (ACTA), comprising members from various sectors, professionals and travel agents, is a statutory advisory body established under the Travel Agents Ordinance (Cap 218) (the Ordinance) to advise the Chief Executive on matters relating to the administration of the Ordinance. The Travel Agents Registry (TAR) submits annual reports on its performance to the ACTA, which covers whether it has achieved the standards in its various service areas.

At its meeting in October 2009, the ACTA discussed issues relating to the functions of the Travel Industry Council of Hong Kong (TIC), including whether the existing two-tier regulatory system of issuing licences by the TAR and carrying out daily regulatory work by the TIC, was appropriate. The ACTA agreed that the two-tier regulatory system has been effective in safeguarding the interests of consumers and maintaining the sustainable and healthy development of the travel agent sector. It should therefore be retained. The ACTA also considered that the Administration and the TIC should continue to conduct in-depth reviews on issues such as the composition and the transparency of the work of the TIC and introduce improvements as appropriate. The review on the TIC is underway. Upon its completion, the findings will be reported to the Legislative Council Panel on Economic Development.

Signature _____

Name in block letters _____

MISS YVONNE CHOI

Post Title _____

**Permanent Secretary for Commerce
and Economic Development
(Commerce, Industry and Tourism)**

Date _____

8.4.2010

**CONTROLLING OFFICER'S REPLY TO
SUPPLEMENTARY QUESTION**

Reply Serial No.

S-CEDB(CIT)03

Question Serial No.

SV003

Head : 78 Intellectual Property Department Subhead (No. & title) :

Programme :

Controlling Officer : Director of Intellectual Property

Director of Bureau : Secretary for Commerce and Economic Development

Question:

In relation to Hon Mrs. Sophie LEUNG LAU Yau-fun's concern, the Administration undertook to provide information on the number of complaints and reports on infringement of intellectual property rights received in 2009.

Asked by: Hon. Mrs. LEUNG LAU Yau-fun, Sophie

Reply:

In 2009, the Intellectual Property Department received 66 enquiries relating to alleged infringement of intellectual property rights (IPR). During the same period, the Customs and Excise Department received 1 997 complaints on alleged IPR infringement.

Signature _____

Name in block letters Stephen SELBY

Post Title Director of Intellectual Property

Date 31.3.2010