# Legislative Council Panel on Economic Services Meeting on 23 April 2001

# Re-organization of the Tourism Commission, Economic Services Bureau

#### Introduction

This paper seeks members' support to the proposed creation of the following posts in the Tourism Commission, Economic Services Bureau -

- (a) 1 Administrative Officer Staff Grade A (D6) (\$162,650) offset by the deletion of 1 Commissioner for Tourism (D5) (\$154,150);
- (b) 1 Administrative Officer Staff Grade B (D3) (\$127,900 \$135,550) and
- (c) 1 Senior Principal Executive Officer (D2) (\$116,650 - \$123,850) offset by the deletion of 1 Principal Executive Officer (D1) (\$98,250 - \$104,250)

arising from the reorganisation of the Tourism Commission in the Economic Services Bureau.

#### **Problem**

2. We need to reinforce the manpower resources and redistribute the duties of the Tourism Commission, Economic Services Bureau in order to cope with the changing demands and increasing responsibilities.

#### **Proposal**

3. Subject to the views of the Panel of Economic Services, the Secretary for Economic Services proposes to submit the proposal to create the directorate posts listed in paragraph 1 above for consideration by the Establishment Sub-committee (ESC) of the Finance Committee on 23 May 2001. An advanced copy of the draft submission to ESC setting out the proposed organisation of the Tourism Commission is at Annex I.

#### Annex I

# **Background**

- 4. Since its establishment in May 1999, the Tourism Commission has significantly intensified its role in strategy setting, planning as well as implementation of various tourism development initiatives. The Commission has taken an active role in tourism planning studies, developing territory-wide and district initiatives and special improvements to tourist attractions, and facilitation of attractions and events. The workload has also increased very significantly. There is therefore a need to review the existing organisation structure and schedules of work in the Commission.
- 5. The Administration has recently conducted a thorough examination of the role and future directions of the Tourism Commission. The review took into consideration the Commission's operational experience in the past 23 months, the re-defined role of the Hong Kong Tourism Board vis a vis that of the Tourism Commission<sup>1</sup>, and the increase in workload arising from an increasing number of tourism development initiatives and major projects as well as the additional regulatory responsibility in respect of travel agents. There is a need to re-organise the present set-up so that each Division could have a more even distribution of work and responsibilities to enable a more focused and effective approach on issues under its responsibility. In addition, a review of the nature of work and level of responsibilities of the Commissioner for Tourism shows that there is a need to re-grade and re-rank the post.

# Tourism Commission Economic Services Bureau April 2001

<sup>&</sup>lt;sup>1</sup> A copy of the LegCo Panel Paper on "Delineation of Roles between Tourism Commission and the Hong Kong Tourist Association" is at Annex II for ease of reference.

# ADVANCE DRAFT

For discussion EC(2000-01)XX

on 23 May 2001

# ITEM FOR ESTABLISHMENT SUBCOMMITTEE OF FINANCE COMMITTEE

# HEAD 145 - GOVERNMENT SECRETARIAT : ECONOMIC SERVICES BUREAU

### **Subhead 001 Salaries**

Members are invited to recommend to Finance Committee the creation of the following permanent posts—

(a) 1 Administrative Officer Staff Grade A (D6)

(\$162,650)

offset by the deletion of

1 Commissioner for Tourism (D5)

(\$154,150);

(b) 1 Administrative Officer Staff Grade B (D3) (\$127,900 - \$135,550); and

(c) 1 Senior Principal Executive Officer (D2)

(\$116,650 - \$123,850)

offset by the deletion of

1 Principal Executive Officer (D1) (\$98,250 - \$104,250)

arising from the re-organisation of the Tourism Commission in the Economic Services Bureau.

#### **PROBLEM**

Since its establishment in May 1999, the workload and responsibilities of the Tourism Commission have increased. Its present staffing and organisational structure are no longer adequate to cope with the changing demands in furthering tourism development in Hong Kong.

#### **PROPOSAL**

2. We propose to create one permanent post of Administrative Officer Staff Grade A (AOSGA) (D6), offset by deletion of one permanent

rank and post of Commissioner for Tourism (CT) at D5 level to reflect adequately its role and level of responsibilities. In addition, we propose to strengthen the Tourism Commission by creating one additional permanent post of Administrative Officer Staff Grade B (AOSGB) (D3) to deputise the Commissioner for Tourism, and one additional post of Senior Principal Executive Officer (SPEO) (D2) to be offset by the deletion of a permanent post of Principal Executive Officer to head a new Division in charge of events, campaigns and district projects.

#### **JUSTIFICATION**

#### Tourism impact and new responsibilities

- 3. The tourism industry is one of Hong Kong's major foreign exchange earners. In 2000, total tourism receipts exceed \$61 billion which is equivalent to about 5% of our Gross Domestic Product. The total visitor arrival figure has achieved a record of 13.06 million in 2000. Nonetheless, the challenge faced by the tourism sector remains demanding against the trends of increasing competition in the region, reducing spending per visitor, and shortening of the average length of stay.
- 4. In view of the need to re-energise our tourist industry and to constantly enhance the attractiveness of Hong Kong as a tourist destination, the Administration has taken a proactive approach to review the strategy and institutional arrangements in meeting these objectives.

- 5. In 1999, the Administration and the former Hong Kong Tourist Association jointly carried out a Fundamental Expenditure Review to improve the cost-effectiveness of the Association. The Association also carried out a Strategic Organisation Review to revisit its role and objective. As a result of these studies, we have redefined the role of the Association now renamed the Hong Kong Tourism Board and re-channelled its resources. It will now have a distinctive role and emphasis on marketing and promoting Hong Kong as a tourist destination, according priority and assigning resources to overseas marketing. It will continue to work closely with the trade in product development and service provision. This redefinition and repositioning exercise has been successfully implemented with the enactment of the Hong Kong Tourism Board Ordinance in April 2001.
- 6. On the other hand, the Tourism Commission, established in 1999, is tasked with the responsibilities for formulating policies, action plans and strategies for tourism development. It steers efforts, coordinates resources and acts as a facilitator in planning and implementing major projects, events and infrastructural facilities conducive to tourism. It also regulates and enhances the service quality of travel agents. The Tourism Commission provides input into Government's land use and other development plans and advocates the tourism development consideration in the planning process. It also initiates and steers focussed studies to examine specifically tourism development opportunities in selected development areas. The Commission is also responsible for the regular and direct steering and

monitoring of major tourism projects such as Hong Kong Disneyland and Tung Chung Cable Car system.

- 7. Following the reoganisation of the then Trade and Industry Bureau with effect from 1 July 2000, the Commission took over the responsibility for regulating outbound travel agents. Plans are in hand to extend the regulatory framework to inbound travel agents and their tour guides to safeguard the service standards of the industry.
- 8. With the substantial increase in responsibilities and diversification of the policy portfolio, the Tourism Commission needs to be strengthened if it is to fully discharge its functions and to provide adequate support to the industry in the years ahead.

#### Present Organisation Structure of the Tourism Commission

9. The present organisation structure of the Tourism Commission is at Encl 1 Enclosure 1. CT is currently underpinned by two permanent Assistant Commissioners (AC) which are pitched at Administrative Officer Staff Grade C (AOSGC) level (D2). AC (Tourism) 1 is responsible, inter alia, for liaison with the Hong Kong Tourism Board, regulation of travel agents, liaison with industry, manpower planning, communication with international and Mainland tourism bodies and bureau administration. AC (Tourism) 2 is responsible for tourism input to planning studies and for piloting all projects with a significant tourism component. There is also one supernumerary post of AC (Tourism) 3 (also AOSGC (D2)) created in October 1999 to head the Hong Kong Disneyland Encl. 2-5

#### **Proposed Re-organisation of the Tourism Commission**

Creation of an AOSGA (D6) post, offset by the deletion of one Commissioner for Tourism (D5) post

- 10. The new rank of Commission for Tourism at D5 level was created in December 1998. The consideration was that the Commissioner needed to be sufficiently senior so that he could provide the necessary strategic guidance on the future development of tourism and new initiatives to be explored. It was recognised that tourism development cut across a number of major policy areas and required extensive co-ordination among different government bureaux and departments as well as parties outside the government. We envisaged that an officer of sufficient seniority would be needed to ensure the speedy resolution of interdepartmental and inter-organisation differences and problems. The post was therefore pitched at D5 level, which was higher than that of a deputy secretary (D3 or D4) in a policy bureau.
- 11. The above factors of consideration have all proved to be relevant during the first 23 months of operation of the Commission. Furthermore, experience also shows that the post be more appropriately filled by members of the Administrative Grade. Indeed, two recruitment exercises had been conducted in 1999 and 2000 respectively with a view to identifying a suitable candidate to fill the

Commissioner's post. Despite the efforts in open recruitment as well as search with the assistance of an executive search company from both the non-government sector and within the whole civil service, no suitable candidate could be identified at the D5 level. We now propose to re-grade the Commissioner's post to an administrative grade post, and to pitch it at AOSGA (D6) level which is the next higher level to deputy secretaries (AOSGB/D3 or AOSGB1/D4) in policy bureaux.

Creation of a new Deputy Commissioner for Tourism (AOSGB)(D3)

12. At present, the Tourism Commission has three Divisions, each headed by an Assistant Commissioner for Tourism (pitched at D2 level). CT's responsibilities and span of control in terms of staff supervision, policy issues and other administrative matters are becoming heavier and more diversified. (The increase in workload particularly in the planning, project and events area warrants the creation of an additional division - see paragraphs 13-16 below.) It is essential that the Commissioner maintains a clear strategic view of the tourism sector despite the increasing workload, be able to represent Hong Kong and the SAR Government in working with counterparts in other governments and private sector while also ensuring the efficient operation of the Commission. We propose that she be deputised by an officer of the appropriate ranking so that she could focus more on overall strategic issues and policy planning. As the Tourism Commission needs to consider a lot of issues involving huge amount of resources and sensitive issues that

require shrewd political judgements, an AOSGB (D3) officer is considered to be an appropriate officer for the new post of Deputy Commissioner for Tourism. A proposed job description of the Deputy Commissioner for Tourism is at Enclosure 6.

Encl. 6

Creation of a new Assistant Commissioner for Tourism (3) post (SPEO) (D2) offset by the deletion of a Principal Executive Officer post (D1)

- 13. At present, quite a large number of planning studies and projects involving huge amount of expenditure are underway and require substantial input from the tourism angle to bring the developments forward. Examples of the planning studies include Vision 2030: Planning Vision and Strategy Study, various regional planning studies such as SE Kowloon and NE New Territories studies, Comprehensive Harbour Plan Study focusing on tourism development opportunities in the Victoria Harbour; the focussed study on the Aberdeen Harbour to examine the means to build up linkages among the various existing attractions and the potential for developing facilities such as a fisherman's wharf; another proposed focussed study to identify the options for making available additional cruise terminal facilities at SE Kowloon.
- 14. Besides planning studies, the Tourism Commission has actively pursued several major projects such as the International Wetland Park, Central and Western District Enhancement, Tsimshatsui Promenade Beautification and

Improvements to tourist attractions at the Peak and Stanley through public works programme. Furthermore, some of the projects in the pipeline may not be taken in the form of public works projects. Instead, private sector involvement in one form or another is being contemplated. These include, among others, the Tung Chung Cable Car Project and a proposal to preserve and convert the former Marine Police Headquarters into a tourism-themed development. The Commission needs to take an active role from the feasibility study stage through to the monitoring of private sector implementation. There is also an increasing need to facilitate the feasibility study and implementation of private-sector initiated projects.

- 15. In addition, the Commission has recently embarked on a consultation programme with all District Councils on tourism. This has received enthusiastic response from among the District Councils. Some have formed either specialist sub-committees on tourism, and others have included tourism as a special subject of existing sub-committees. In order to maximize the synergy and involve the whole community in tourism development work, we should work closely with District Councils in the years ahead and to involve them in developing scenic spots and places of interests to tourists. Such collaboration has been started with the two-year promotional campaign, "City of Life: Hong Kong Is It!", launched by the HK Tourism Board recently.
- 16. As an international city where eastern culture meets the west, Hong Kong needs to facilitate and co-ordinate a strategy for events tourism, including

identifying and facilitating the staging of new signature events and enhancing the status of some existing ones. The target is to build up a calendar of major attractions, particularly during the low seasons. Mega-events are needed to bring together the efforts of the local travel and tourism industry (hotels, retail, airlines and alike) to increase tourist arrivals and expenditure. The successful holding of such events in Hong Kong typically requires swift policy response and flexible approval or administrative support. The Commission needs to provide policy backing and to co-ordinate inter-departmental efforts in order to make these events possible in Hong Kong. In addition, the Tourism Commission will be responsible for spearheading a public education campaign aimed at promoting a hospitality culture within the community.

17. In order to cope adequately with this substantial work programme, we propose to divide the schedule of the existing AC(T)2 into two, one dedicated mainly to planning policy and studies, and the development of territory-wide tourism and infrastructure projects; and the other responsible for co-ordination of major events, campaigns and district-based projects. We consider that the latter duties are more appropriately carried out by a senior member of the Executive Grade who has rich experience in working with other government departments and the districts. The new Assistant Commissioner for Tourism, to be designated as AC(T)3, is proposed to be a SPEO post (D2). Revised duty list of AC(T)2 and the proposed duty list of AC(T)3 post are at Enclosures 7 and 8 respectively. As part of the duties currently undertaken by AC(T)2 and her assistant, the Chief

Assistant Secretary (Tourism) (at Principal Executive Officer rank) will be transferred to the new Assistant Commissioner for Tourism (3), the Chief Assistant Secretary (Tourism), a D1 post, can be deleted.

- 18. We have considered the feasibility of the redistribution of duties among existing directorate posts. The existing AC(T)1 has already taken up the additional policy and management responsibility for regulating outbound travel agents since July 2000. This recently added duty will soon be expanded to cover inbound travel matters also. In the meantime, his own portfolio covering liaison with Mainland and international tourism bodies, providing policy support and monitoring of the work of the Hong Kong Tourism Board has intensified. As regards the existing AC(T)3 responsible for the Hong Kong Disneyland Project, the workload has also increased as government works in the provision of reclamation and infrastructure advance and as development on other business aspects of the theme park is taking shape. This post will be re-designated as AC(T)4 with broadly the same duties.
- 19. The revised organisation chart of Tourism Commission is at Encl. 9 Enclosure 9.

#### FINANCIAL IMPLICATIONS

20. The additional notional annual salary cost of the Directorate posts proposed at MID-POINT is-

		Notional Annual Mid-point Salary	No. of Posts
	<b>New Permanent Posts</b>	\$	
	AOSGA (D6)	1,951,800	1
	AOSGB (D3)	1,580,400	1
	SPEO (D2)	1,443,000	1
Less	Commissioner for Tourism (D5)	1,849,800	1
	PEO (D1) post	1,213,200	1
	Additional cost	1,912,200	1
		======	=====

The additional full annual average staff cost of the proposal, including salaries and staff on-cost is \$3,438,759.

Adequate provision has been included in the 2001-02 Draft Estimates to meet the cost of the above proposals. The proposals would have no impact on fees as the Travel Agents Registry, the only fee receiving section under the Tourism Commission is not affected by this re-organization exercise.

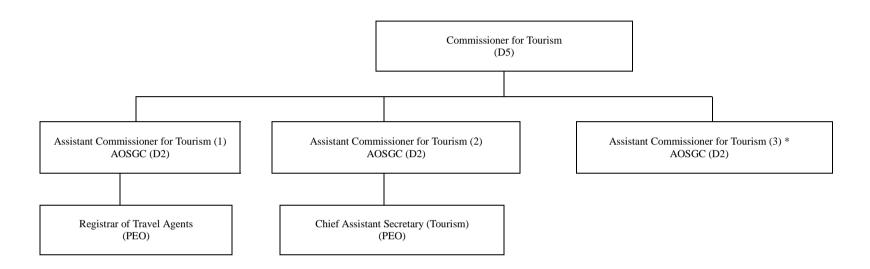
**Tourism Commission** 

Economic Services Bureau

April 2001

# **Enclosure 1 to EC(2000-01)**

# Tourism Commission Existing Directorate Organisation Chart



\* Supernumerary post (Disneyland Project)

# **Existing duties of the Commissioner for Tourism**

The duty of the Commissioner is to assist the Secretary for Economic Services in promoting the development of inbound tourism in Hong Kong. In particular, the Commissioner will be responsible for the following duties –

- 1. To formulate policy and overall strategy, in consultation with the Hong Kong Tourism Board and the tourist industry, in promoting the development of inbound tourism in Hong Kong, as well as to see to their implementation.
- 2. To consider the feasibility of new tourism attractions and facilities, and to arrange for the implementation of specific proposals as applicable.
- 3. To explore and develop areas of improvements which may enhance the overall attraction of Hong Kong as a tourist destination.
- 4. To maintain liaison with the private sector including the tourist industry, Mainland tourism authorities and international tourism bodies and to explore opportunities for cooperation with parties outside Hong Kong in tourism development.
- 5. To co-ordinate with other Government bureaux and departments on tourism related matters.
- 6. To work closely with Hong Kong Tourism Board to ensure its best use of resources and attend to its needs for Government support.

# **Existing duties of Assistant Commissioner for Tourism (1)**

To assist the Commissioner in the following duties:-

- 1. To regulate outbound travel agents.
- 2. To make recommendations on inbound tourism policy issues.
- 3. To maintain liaison with international and Mainland tourism bodies.
- 4. To consider ways to upgrade the quality of services of the tourist industry, in consultation with Hong Kong Tourism Board and the industry.
- 5. To serve as Secretary to the Tourism Strategy Group.
- 6. To be responsible for monitoring of Hong Kong Tourism Board.
- 7. To consider ways to facilitate entry of visitors to Hong Kong including the review of the Hong Kong Group Tour Scheme.
- 8. To plan and oversee the management of the Tamar Site.
- 9. To be responsible for Bureau co-ordination and administration.
- 10. Any other duties as may be assigned.

#### Existing duties of Assistant Commissioner for Tourism (2)

To assist the Commissioner in the following duties:-

- 1. To consider the various feasibility studies on new tourism attractions and facilities as well as to make arrangement for the implementation of the proposals concerned.
- 2. To oversee the co-ordination of government's efforts in the implementation of new tourism attractions or improvement projects on existing attractions.
- 3. To provide inbound tourism inputs to the various planning studies undertaken by Government.
- 4. To be responsible for matters related to hotels.
- 5. To maintain liaison with the Districts on tourism related matters.
- 6. To oversees the interface with and provide necessary support to the Tourism Task Force, including its sub-groups.
- 7. Any other duties as may be assigned.

### **Existing duties of Assistant Commissioner for Tourism (3)**

To assist the Commissioner in the following duties:-

- 1. To lead a special unit, the International Theme Parks Division, within the Tourism Commission of the Economic Services Bureau to oversee and monitor the implementation of the Hong Kong Disneyland Project.
- 2. To liaise closely with bureaux/departments to ensure timely completion of all Government's undertakings specified in the various legal documents signed with Disney.
- 3. To service a high-powered steering committee for the project to be chaired by the Financial Secretary, and the other sub-committees.
- 4. To liaise closely with senior management of Disney to put in place the necessary institutional arrangements for the joint venture between the Government and Disney.
- 5. To ensure that Disney performs its undertakings specified in the various legal documents so as to safeguard Government's investment in the project.
- 6. To prepare papers and briefs for the Chief Executive, Chief Secretary for Administration, Financial Secretary and other senior officials to report progress, highlight problem areas and recommend appropriate actions.

# **Proposed Job Description of Deputy Commissioner for Tourism**

**Post:** Deputy Commissioner for Tourism

**Rank:** Administrative Officer Staff Grade B (D3)

**Responsible to:** Commissioner for Tourism

# **Duties and Responsibilities –**

To assist the Commissioner in the following duties –

- 1. Formulating policies and strategy relating to tourism development.
- 2. Maintaining close working relationship with Hong Kong Tourism Board, government departments and other private sector bodies to ensure tourism development policies and strategies are implemented.
- 3. Managing the work of the Tourism Commission in respect of regulation, planning, projects and events management.
- 4. Deputising the Commissioner for Tourism and performing other duties as assigned by the Commissioner.

# **Revised Job Description of Assistant Commissioner for Tourism (2)**

**Post:** Assistant Commissioner for Tourism (2)

**Rank:** Administrative Officer Staff Grade C (D2)

**Responsible to :** Deputy Commissioner for Tourism

# **Duties and Responsibilities –**

To assist the Deputy Commissioner in the following duties –

- 1. To oversee and monitor the planning for and implementation of projects on tourism attractions and infrastructure.
- 2. To provide tourism input into the land use planning process and the process of planning and development of major facilities.
- 3. To be responsible for matters concerning the hotel sector, including hotel supply and demand forecasting arrangements.
- 4. To be responsible for liaison with the industry and within Government concerning the development of tourism attractions.
- 5. To be responsible for matters concerning the development of heritage and green tourism in HK.
- 6. To provide support for the Tourism Strategy Group and its sub-groups.
- 7. Any other duties as may be assigned.

### Proposed Job Description for the new post of Assistant Commissioner for Tourism (3)

**Post:** Assistant Commissioner for Tourism (3)

**Rank:** Senior Principal Executive Officer (D2)

**Responsible to :** Deputy Commissioner for Tourism

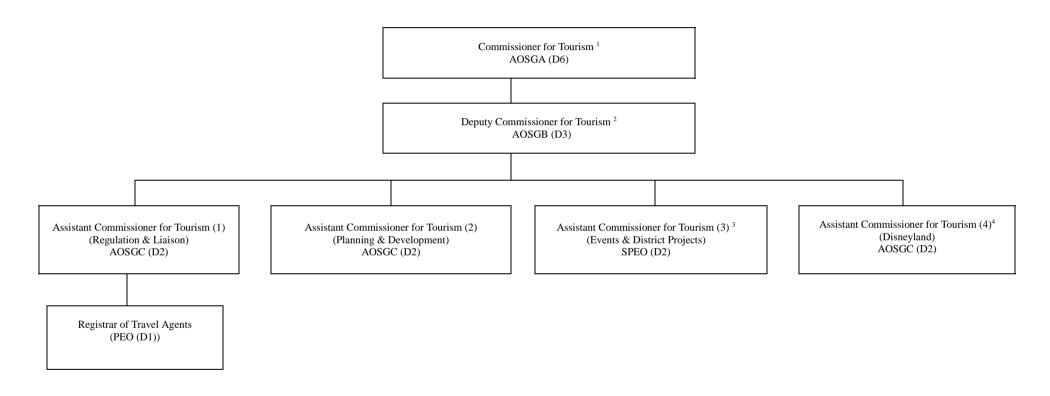
### **Duties and Responsibilities -**

To assist the Deputy Commissioner in the following duties:-

- 1. To identify, facilitate and coordinate with other Government departments, the Hong Kong Tourism Board, the industry and event managers and promoters-
  - (a) the development and implementation of an event tourism strategy
  - (b) a calendar of events
  - (c) new signature events for HK
- 2. To review and make proposals for funding arrangements for support of international events in consultation with the HK Tourism Board and relevant Government bureaux and departments.
- 3. To monitor the Hong Kong Tourism Board's administration of the International Events Fund.
- 4. To oversee and coordinate the implementation of projects for the improvement of existing tourist attractions and tourist signage projects.
- 5. To maintain liaison with the Districts on tourism related matters.
- 6. To be responsible for matters concerning the development of cultural and events tourism in HK.
- 7. To provide support for the Tourism Strategy Group and its sub-groups.
- 8. Any other duties as may be assigned.

# **Enclosure 9 to EC(2000-01)**

# Tourism Commission Revised Directorate Organisation Chart



- 1. Offset by the deletion of a D5 post of Commissioner for Tourism
- 2. New post
- 3. Offset by the deletion of a D1 post of PEO
- 4. Re-titling of post

### **Legislative Council Panel on Economic Services**

# Delineation of Roles between **Tourism Commission and Hong Kong Tourist Association**

#### Introduction

This paper sets out for Members' information the respective roles and division of responsibilities between the Tourism Commission and the Hong Kong Tourist Association (HKTA).

# **Background**

2. At the meeting of the Legislative Council Panel on Economic Services held on 27 November 2000, we consulted Members on proposed amendments to the Hong Kong Tourist Association Ordinance. Members expressed interests to learn more about the delineation of roles between the Tourism Commission and the HKTA.

#### **Establishment of Tourism Commission**

- 3. The Tourism Commission was established in May 1999 in Economic Services Bureau, Government Secretariat. It is headed by the Commissioner for Tourism whose role is to provide a strong leadership and steer within Government in mapping out the tourism development policy and strategy; provide a focal point for liaison with the tourist industry and enhance coordination in developing tourism. The establishment of the Tourism Commission also addresses the strong demand from the tourism industry which experienced drastic reduction in visitors arrivals and tourism receipts in 1997 and 1998 for Government to help revive the tourism industry by providing the necessary dedicated leadership to guide future developments strategically.
- 4. In the course of considering views from the industry and before coming to a view on the establishment of the Tourism Commission, we had considered the feasibility and appropriateness of having the industry or the HKTA to assume the leading role as expected of the Commissioner. However, we concluded that there are many aspects of work which would best be performed by a government setup and led by a senior government official. For instance, it is only appropriate for Government to play a leading role in reviewing, mapping out and implementing a tourism strategy, to co-ordinate action among

policy bureaux and departments to take tourism initiatives forward, to process resource bids in support of such initiatives, to hold discussions with the Mainland authorities at a governmental level on co-operative measures and to take part in international governmental forums.

#### **Role of Tourism Commission**

- 5. The Tourism Commission is mainly responsible for formulating and coordinating implementation of policies, plans and strategies for tourism development. At the same time, it leads and coordinates the work of other Government bureaux and departments on policies and initiatives which have an impact on tourism development. Major areas of responsibility of the Tourism Commission include
  - (a) to formulate policies and overall strategy, in consultation with the HKTA and the tourist industry, in promoting the development of tourism in Hong Kong;
  - (b) to consider the feasibility and carry out studies on new tourism attractions and facilities, and to arrange for implementation of specific proposals (e.g. The Hong Kong Disneyland, Tung Chung Cable Car System, International Wetland Park, and Central and Western District Enhancement Scheme) as applicable;
  - (c) to provide pro-active inputs in the Government planning process and the implementation of projects that have an impact on tourism;
  - (d) to explore and develop areas of improvements which may enhance the overall attractiveness of Hong Kong as a tourist destination;
  - (e) to facilitate staging of world-class events to develop Hong Kong into the "Events Capital of Asia";
  - (f) to maintain liaison with Mainland authorities at a governmental level on co-operative measures and to take part in international governmental forums;
  - (g) to regulate and enhance the service quality of travel agents; and
  - (h) to work closely with the HKTA to ensure its best use of resources and attend to its needs for Government support.

#### Role of HKTA

- 6. The HKTA has a distinctive role with emphasis on marketing and promoting Hong Kong as stipulated under the HKTA Ordinance. In late 1999, the Association completed a Strategic Organisation Review (SOR) on its role. The Review concluded that the principal role of the Association is to promote Hong Kong as a tourist destination, to enrich visitors' travel experience and to enhance Hong Kong's attractiveness through improving and developing new tourism itineraries and enhancing service standards in collaboration with the tourism industry. It should also steer away from activities such as event organization, tour operation, and fund management.
- 7. The SOR concluded that the HKTA should, first, boost efforts in promotion and marketing in future; and secondly, restructure the organisation and administrative framework to enhance support for its promotion work outside Hong Kong. The latter includes recommendations for expanding the size of the Board of Management and to abolish its membership system. The name of HKTA should also be amended to the "Hong Kong Tourism Board". We will introduce the Hong Kong Tourist Association (Amendment) Bill 2001 into the Legislative Council to implement the recommendations of the SOR.
- 8. The proposed objects of the Hong Kong Tourism Board would be updated as follows
  - (a) to endeavour to increase the contribution of tourism to Hong Kong;
  - (b) to promote Hong Kong globally as a leading international city in Asia and a world class tourist destination:
  - (c) to promote the improvement of facilities for visitors;
  - (d) to support the Government in promoting to the community the importance of tourism;
  - (e) to support, as appropriate, the activities of persons providing services for visitors to Hong Kong; and
  - (f) to make recommendations to and advise the Chief Executive in relation to any measures which may be taken to further any of the foregoing matters.

#### **Conclusion**

9. In further promoting tourism development in Hong Kong, the Tourism Commission and the HKTA perform distinctive but complementary roles. The working relationship have taken shape since the establishment of the Commission in May 1999. We have reached a consensus with the HKTA Board of Management on the delineation of roles as described above and will continue to work closely with the HKTA and the travel and tourism industry to further tourism development in Hong Kong.

Tourism Commission Economic Services Bureau 12 December 2000