

立法會
Legislative Council

LC Paper No. CB(4)995/15-16
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by the Administration)

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Panel on Economic Development

Minutes of meeting
held on Monday, 22 February 2016, at 10:45 am
in Conference Room 1 of the Legislative Council Complex

Members present : Hon James TIEN Pei-chun, GBS, JP (Chairman)
Hon Jeffrey LAM Kin-fung, GBS, JP (Deputy Chairman)
Hon CHAN Kam-lam, SBS, JP
Hon Andrew LEUNG Kwan-yuen, GBS, JP
Hon WONG Ting-kwong, SBS, JP
Dr Hon LAM Tai-fai, SBS, JP
Hon Paul TSE Wai-chun, JP
Hon Albert CHAN Wai-yip
Hon Steven HO Chun-yin, BBS
Hon Frankie YICK Chi-ming, JP
Hon WU Chi-wai, MH
Hon YIU Si-wing, BBS
Hon Gary FAN Kwok-wai
Hon Charles Peter MOK, JP
Hon CHAN Yuen-han, SBS, JP
Hon Kenneth LEUNG
Hon Dennis KWOK
Hon Christopher CHEUNG Wah-fung, SBS, JP
Dr Hon Fernando CHEUNG Chiu-hung
Hon SIN Chung-kai, SBS, JP
Dr Hon Elizabeth QUAT, JP
Hon TANG Ka-piu, JP
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon CHUNG Kwok-pan
Hon Tony TSE Wai-chuen, BBS

Member attending : Hon James TO Kun-sun

Member absent : Dr Hon LEUNG Ka-lau

Public Officers attending : Agenda items IV and V

Miss Cathy CHU, JP
Commissioner for Tourism

Miss Rosanna LAW, JP
Deputy Commissioner for Tourism

Attendance by invitation : Agenda item IV

Hong Kong Tourism Board

Dr Peter LAM, GBS
Chairman

Mr Anthony LAU
Executive Director

Ms Cynthia LEUNG
General Manager, Corporate Affairs

Ms Jody CHENG
Manager, Strategic Planning (Performance Analysis)

Agenda item V

Hong Kong Disneyland Resort

Mr Andrew KAM
Managing Director

Ms Linda CHOY
Vice President, Public Affairs

Clerk in attendance : Ms Shirley CHAN
Chief Council Secretary (4)5

Staff in attendance : Ms Anki NG
Senior Council Secretary (4)5

Ms Lauren LI
Council Secretary (4)5

Ms Zoe TONG
Legislative Assistant (4)5

Action

I. Application for late membership

(LC Paper No. CB(4)590/15-16(01) — Letter dated 27 January 2016 from Hon CHAN Yuen-han (Chinese version only))

The Chairman referred to the letter from Miss CHAN Yuen-han and consulted members on her application for late membership of the Panel. Members agreed to her application.

II. Information papers issued since the last regular meeting

(LC Paper No. CB(4)563/15-16(01) — Administration's paper on tables and graphs showing the import and retail prices of major oil products from January 2014 to December 2015

LC Paper Nos. CB(4)594/15-16(01) and (02) — Letter dated 17 December 2015 from Hon TANG Ka-piu on New Air Traffic Control System at the Hong Kong International Airport (Chinese version only), and the Administration's written response dated 11 February 2016

LC Paper Nos. CB(4)596/15-16(01) — Administration's written response to an article from a member of the public dated 29 December 2015 on the implementation of the Competition Ordinance (Cap. 619) on Government's road transport policy (LC Paper No. CB(4)421/15-16(01)) and further submission dated 22 January 2016 from the member of the public (English version only)

LC Paper No. CB(4)614/15-16(01) — Letter dated 15 February 2016 from the Administration to the Public Complaints Office of the Legislative Council Secretariat (Chinese version only) enclosing an Information Note on review on Public Cargo Working Areas)

2. Members noted that the above papers had been issued for members' reference since the last regular meeting.

III. Items for discussion at the next meeting

(LC Paper No. CB(4)590/15-16(02) — List of outstanding items for discussion

LC Paper No. CB(4)590/15-16(03) — List of follow-up actions)

Next regular meeting on 24 March 2016

3. Members agreed to discuss the following items at the next regular meeting scheduled for Thursday, 24 March 2016 at 10:45 am –

(a) Outcome of the review on Public Cargo Working Areas;

- (b) Proposed amendments to the civil aviation legislation relating to the air carriage of dangerous goods; and
- (c) Deployment of the new Air Traffic Management System for Hong Kong International Airport and the related safety issues.

Letter from Mr James TO

(LC Paper No. CB(4)574/15-16(01) — Letter dated 1 February 2016 from Hon James TO Kun-sun requesting to discuss issues relating to the Report of the Transport and Housing Bureau's Investigation into Staff Conduct in the Marine Department in relation to the Vessel Collision Incident near Lamma Island on 1 October 2012 (Chinese version only))

4. Mr James TO proposed discussion at a future Panel meeting of issues relating to the Report of the Transport and Housing Bureau's Investigation into Staff Conduct in the Marine Department in relation to the Vessel Collision Incident near Lamma Island on 1 October 2012 ("the Report") to consider whether the reform proposed in the Report was adequate.

5. According to Mr James TO, he was the only Legislative Council ("LegCo") Member who had signed the confidentiality undertaking and perused the Report. He expressed dissatisfaction that the time period provided by the Administration for LegCo Members to peruse the Report was relatively short and too close to the session break in the Summer of 2015. Some LegCo Members hence might not have the opportunity to peruse the Report. In this regard, Mr TO considered that the Administration should arrange an additional time slot for LegCo Members to peruse the Report. Mr SIN Chung-kai shared the view of Mr TO.

6. Ir Dr LO Wai-kwok enquired whether the Panel was the appropriate forum to discuss the matter. The Chairman said that the terms of reference of the Panel covered the monitoring and examination of Government policies and issues of public concern relating to economic infrastructure and services, including sea transport facilities and services. He instructed the Clerk to seek a written response from the Administration on Mr James TO's letter and whether another time slot could be arranged for members to peruse the Report. On receipt of the Administration's response, the Panel would consider the matter further.

(Post-meeting note: The Administration's response was issued to members vide LC Paper No. CB(4)743/15-16(01) on 21 March 2016.)

IV. Hong Kong Tourism Board Work Plan for 2016-2017

(LC Paper No. CB(4)590/15-16(04) — Administration's paper on Hong Kong Tourism Board Work Plan for 2016-17

LC Paper No. CB(4)590/15-16(05) — Paper on the work plan of Hong Kong Tourism Board prepared by the Legislative Council Secretariat (updated background brief))

Presentation by the Administration and the Hong Kong Tourism Board

7. At the invitation of the Chairman, Commissioner for Tourism ("C for T") briefed members on the measures to be taken by the Hong Kong Tourism Board ("HKTB") to increase visitor arrivals in 2016-2017, including stepping up marketing efforts in source markets, organizing mega events and promoting other tourism-related initiatives. Dr Peter LAM, Chairman of HKTB then briefed members on the overview of 2015 tourism performance and the general tourism outlook for 2016. With the aid of the power-point presentation material, Mr Anthony LAU, Executive Director of HKTB briefed members on details of HKTB's work plan in 2016-2017. Details of the briefings were set out in the papers provided by the Administration (LC Papers Nos. CB(4)590/15-16(04) and CB(4)637/15-16(01)).

(Post-meeting note: The power-point presentation material provided by HKTB was issued to members vide LC Paper No. CB(4)637/15-16(01) on 22 February 2016.)

Discussion

Policy on tourism

8. Whilst agreeing to the shift in focus by the Government from emphasizing on growth in tourist numbers to providing high quality tourism services, Mr Paul TSE expressed concern about the loss in Hong Kong's competitiveness in terms of attracting visitors when compared to other

neighbouring countries and cities which had been proactively developing tourism in recent years. As Hong Kong was limited by its small land area, it had less tourist attractions than other neighbouring countries. It was important for Hong Kong to re-package its tourism image as an international metropolis with diversified tourist attractions to attract tourists of different preferences. Mr TSE suggested that Hong Kong should focus on hosting different varieties of mega events for attracting tourists and promoting its diversified tourism experience.

9. Noting that Japan had relaxed its visa requirements for Shanghai visitors who could produce proof of annual income of a certain amount, the Chairman enquired whether the Administration would consider adopting similar policies for Hong Kong with a view to attracting more high-spending tourists. Mr James TO expressed a similar view. C for T advised that the Administration would explore whether similar policies could be adopted.

10. Mr CHAN Kam-lam opined that Hong Kong's tourism image had been tarnished due to problems arising from protests against parallel traders and coerced shopping in 2015. He urged the Administration to reinvent Hong Kong's tourism image as a hospitable city. As Hong Kong was a shoppers' paradise, Mr CHAN urged the Administration to formulate policies to facilitate tourists who were shopping in Hong Kong.

11. Miss CHAN Yuen-han expressed concern that despite HKTB had done a lot of work to promote tourism in Hong Kong, the result was not entirely satisfactory. She opined that the Administration and HKTB should co-operate to identify unique elements for promoting tourism in Hong Kong so as to assist local travel trade to develop new tour products, and to promote such products internationally to attract more visitors to explore the dynamic experiences that Hong Kong offered.

12. Dr LAM Tai-fai expressed concern about the positioning of Hong Kong in tourism, i.e. whether it strived to become the leading Chinese city in tourism or to remain as a world-class travel destination, as this would directly affect the proportion for allocation of marketing resources in the Mainland and international markets. He opined that the Administration and HKTB should set targets, work plans and strategies at different stages in developing tourism. Dr LAM enquired about measures taken by HKTB to grasp the opportunities brought by the "One Belt, One Road" initiative. Dr Peter LAM of HKTB advised that HKTB had promoted co-operation in cruise tourism among ports in the Asian region, including ports in Taiwan and the Philippines. HKTB aimed at co-operating with the ports along the "One Belt, One Road" region to develop cruise tourism.

Meetings and incentives travel

13. Pointing out that Meetings, Incentives, Conventions and Exhibitions ("MICE") events would bring in more high-yield visitors, Mr Andrew LEUNG expressed dissatisfaction that new convention and exhibition centre in Hong Kong would not be available before 2020. He enquired about the measures taken by HKTB to attract MICE business. He considered that arts and cultural events were necessary in complementing the development of MICE tourism, and measures to facilitate MICE visitors to visit and experience the vibrant city of Hong Kong during their short breaks should be encouraged.

14. Sharing a similar view, Mr Paul TSE considered that Hong Kong should focus on developing MICE tourism and in the long run, exploring business opportunities brought about by the "One Belt, One Road" initiative.

15. C for T advised that while it took time for new convention and exhibition facilities to be developed, HKTB had already made various efforts to promote MICE tourism. Mr Anthony LAU of HKTB supplemented that HKTB had been establishing closer business relationship with MICE event organizers with a view to bringing in more conventions to match with the availability of the Hong Kong Convention and Exhibition Centre and AsiaWorld-Expo. HKTB had also been liaising with the trade with a view to attracting more small and medium scale meetings to be held in other event venues such as conference facilities in hotels to facilitate the sustainable development of MICE tourism.

Arts and cultural attractions for tourists

16. Mr Kenneth LEUNG shared the Administration's view that Hong Kong's inbound tourism was shifting from shopping to diversified tourism experiences. He enquired about the new tourism focus, in particular whether there would be any new museums, and whether any measures were taken by the Administration to refurbish old museums and renew the exhibitions of museums at suitable intervals to enhance visitors' experience.

17. C for T advised that M Plus, a new museum to be located in West Kowloon District, would be completed in about two to three years. Existing museums had been arranging for the display of new museum pieces with appropriate historical and cultural themes for local residents and overseas visitors. For example, the display of Hong Kong images in museums, such as the Bruce LEE : Kung Fu – Art - Life Exhibition in the Hong Kong Heritage Museum, was held as a result of the co-operation between the Tourism Commission and the Leisure and Cultural Services Department.

18. Ir Dr LO Wai-kwok said that although Hong Kong might have been facing intense competition from neighbouring countries in tourism, it could develop its own small-scale local tourist attractions. For example, Macau had turned an old local pawn shop in the city area into a mini-museum for pawn shops' business with free admission, and tourists visited the museum along their shopping routes. In addition, heritage buildings reflecting traces of past Portuguese livelihood also attracted tourists. Ir Dr LO enquired about measures taken by HKTB in promoting revitalization projects in Hong Kong.

19. Mr Anthony LAU of HKTB advised that as revitalization projects brought new experiences with local cultural characteristics to tourists, HKTB had been promoting these projects on its website with full information available for tourists' reference. In 2016, the revitalized Central Police Station Compound ("Tai Kwun") would open as a new centre for heritage and art. HKTB planned to bundle this historical site together with the PMQ which was revitalized from the former Police Married Quarters on Hollywood Road and other arts and cultural attractions in Central, and promote them as Hong Kong's arts and cultural landmarks to visitors and the international media. Ir Dr LO Wai-kwok urged the Administration to monitor the progress and implementation of the revitalization projects.

20. Mr James TO said that HKTB should keep in view the latest travel trend and local characteristics of Hong Kong, and continue to promote the revitalization projects. C for T advised that HKTB would continue to promote revitalization projects with local characteristics, for example, the revitalized Central Police Station Compound would preserve local setting and cultures in the 1960s to 70s, with guided tours for introducing local cultures to tourists. The Tai Hang Fire Dragon Room would also be set up shortly for introducing the Fire Dragon Dance to tourists.

21. Noting the slight increase in overnight visitor arrivals from short-haul markets in 2015 and the economic benefits contributed by these visitors, Mr SIN Chung-kai enquired about measures taken by HKTB to promote unique cultural tourist hotspots in Hong Kong, such as the antique shops in Hollywood Road and dried seafood shops in the Western District. Mr Albert CHAN opined that tourist hotspots should contain local cultural characteristics, and reflect Hong Kong's unique historical and cultural background.

22. Mr Anthony LAU of HKTB advised that promotional initiatives such as the "Hong Kong Insider's Guide" Project 2015 had highlighted different characteristics of the 18 districts in Hong Kong. Dr Peter LAM of HKTB supplemented that promotional products were also displayed in, for example, Tai O Fishing Village and Tai Po Lam Tsuen Wishing Trees to highlight the

characteristics of the 18 districts. Mr Anthony LAU of HKTB further advised that HKTB had also invited over 300 international media organizations to Hong Kong each year to experience the various appeals of Hong Kong according to the preference of different source markets and target segments. Through their reports and feature, overseas consumers could get a taste of the unique travel experiences of Hong Kong.

Leisure travel and ecotourism

23. Mr CHAN Kam-lam said that some tourists enjoyed hiking in the countryside of Hong Kong. Mega sports events such as the Hong Kong Cyclothon also drew tourists to Hong Kong. He opined that the Administration should make use of natural resources in Hong Kong to promote ecotourism, such as leisure fishery tours and pleasure boat rides, and implement policies to support these initiatives. Miss CHAN Yuen-han and Mr TANG Ka-piu shared the view of Mr CHAN.

24. Mr Albert CHAN opined that HKTB should promote ecotourism in Hong Kong as abundant wildlife and plant species were available in the countryside of Hong Kong.

The Mainland market

25. Noting that HKTB would allocate 74% of its marketing budget in 2016-2017 to international markets and the remaining 26% to the Mainland market, but the increase in overseas visitors was relatively small when compared to the Mainland market, Mr YIU Si-wing enquired whether HKTB would consider allocating more marketing resources in promoting Hong Kong to Mainland visitors as a decrease in their visits would greatly affect the businesses of related sectors, such as the food and beverages sector and the retail sector. Mr YIU also enquired whether free shuttle service would be provided at the Hong Kong International Airport ("the Airport") to encourage visitors in transit to have a short trip in Hong Kong.

26. Mr Anthony LAU of HKTB advised that HKTB would continue to focus its resources on 20 key markets, which together generated approximately 96% of all visitor arrivals to Hong Kong. A vast majority of the marketing resources of HKTB for the Mainland market had been allocated for promotions in non-Guangdong areas for attracting more overnight visitors. HKTB had emphasized on promoting tourism to Mainland visitors and would regularly review its market priority and investments in different markets. According to surveys conducted by HKTB, the majority of tourists in transit at the Airport with transit time less than five hours would not go for short local tours. HKTB had set up booths at the Airport to promote nearby tourist hotspots such as the Disneyland and Ngong Ping 360 to tourists.

27. Mr Tony TSE expressed support for the work of HKTB. Regarding the allocation of marketing resources, he agreed with HKTB that regular review should be conducted on market priority and investments as the factors affecting the allocation decision, such as currency rates, would fluctuate frequently. He also agreed that HKTB should step up promotion of Hong Kong's hospitable image and quality service culture.

28. Mr TANG Ka-piu supported expanding the Individual Visit Scheme to more Mainland cities, and the adjustment to the policy on the Individual Visit Endorsements for permanent residents of Shenzhen from "multiple-entry" to "one visit per week" in April 2015. He opined that when deciding on the adjustments, a balance had to be struck between the economic benefits brought to Hong Kong and the nuisance brought to local residents by parallel trading activities.

29. The Chairman said that in 2015, some Mainland visitors encountered a few unfortunate incidents relating to "kicking of luggage" and coerced shopping while they were visiting Hong Kong, which raised concerns among Mainland tourists. He opined that more marketing resources of HKTB should be used for rebuilding Hong Kong's tourism image. C for T advised that HKTB had been using social media to promote the hospitable image and quality service culture of Hong Kong, and that the Tourism Commission had allocated an extra \$5 million in 2015 to HKTB for promoting the "Quality and Honest Hong Kong Tours" in the Mainland.

Mongkok incident during Chinese New Year period

30. Mr Christopher CHEUNG enquired about the impact on tourists visiting Hong Kong and the retail sectors after the Mongkok incident occurred during the Chinese New Year period, and measures to be devised by the Administration in reconstructing Hong Kong's image. He enquired whether the Administration would propose to the Central Government the expansion of the Individual Visit Scheme in due course to allow Mainland visitors from more Mainland cities to visit Hong Kong. Dr Peter LAM of HKTB advised that there was a sharp decrease in the number of visitors coming to Hong Kong after the Mongkok incident, and HKTB had received lots of enquiries and concerns about security in Hong Kong. The Mongkok incident had greatly tarnished the tourism image of Hong Kong.

31. Regarding measures to reconstruct Hong Kong's image, C for T advised that the Government and HKTB would focus on promoting Hong Kong's hospitable image and quality service culture, and drawing more high spending visitors to Hong Kong. Regarding the overall arrangement for Mainland

residents travelling to Hong Kong, the Government would continue to liaise and exchange views with the Central Government and relevant Mainland authorities. As regards the nuisance of parallel trading activities caused to the daily lives of local residents, the Government would continue to implement targeted measures and enhance co-operation with relevant Mainland authorities to combat parallel trading activities.

Other issues

32. Mr TANG Ka-piu expressed concern about individuals from South Asia claiming to be tourists and making non-refoulement claims under the "Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment" when arrived in Hong Kong. He urged the Administration to consider whether these individuals had made use of their tourist status to enter into Hong Kong for making such claims and the appropriate combating actions.

V. Update on Hong Kong Disneyland Resort

(LC Paper No. CB(4)590/15-16(06) — Administration's paper on update on Hong Kong Disneyland Resort

LC Paper No. CB(4)590/15-16(07) — Paper on Hong Kong Disneyland prepared by the Legislative Council Secretariat (updated background brief))

Presentation by Hong Kong Disneyland Resort

33. At the invitation of the Chairman and with the aid of the power-point presentation material, Mr Andrew KAM, Managing Director of Hong Kong Disneyland Resort briefed members on the performance of the Hong Kong Disneyland Resort ("HKDL") in fiscal year 2015 ("FY15"). Details of the briefings were set out in the papers provided by the Administration (LC Papers Nos. CB(4)590/15-16(06) and CB(4) 637/15-16(02)).

(Post-meeting note: The power-point presentation material provided by HKDL was issued to members vide LC Paper No. CB(4)637/15-16(02) on 22 February 2016.)

Discussion

Further development

34. Noting that under the relevant agreement between the Government and the joint venture company, i.e. Hongkong International Theme Parks Limited ("HKITPL"), the latter had been given an option to take a land grant of the site immediately to the east of the first phase site for a second phase development of HKDL ("Phase 2 development"), Mr SIN Chung-kai enquired about the exercise of the option and the progress of Phase 2 development. He considered that the Administration should expedite the development to strengthen HKDL's competitiveness.

35. C for T advised that negotiations had been going on for the Phase 2 development, and there was no pre-determined date to complete the negotiation at this stage. Deputy Commissioner for Tourism ("DC for T") supplemented that the option was valid for 20 years from the date of entering into the relevant agreement, and could be extended twice to until 2030 subject to certain conditions.

36. Mr YIU Si-wing remarked that in the face of challenge posed by the opening of the Shanghai Disney Resort ("SDR"), HKDL should expedite its expansion plan to maintain its appeal and competitiveness.

37. Miss CHAN Yuen-han supported further development of HKDL to maintain its distinctiveness and competitiveness. She urged the Government to continue the negotiation with The Walt Disney Company ("TWDC") for the Phase 2 development. She also opined that it would be unnecessary for the Government to provide highly favourable terms to support Phase 2 development as in the case of first phase development of HKDL when Hong Kong had been facing poor economic conditions. TWDC should honour its pledge of further developing HKDL and the Government should proceed with the negotiation to safeguard the best interests of Hong Kong.

38. C for T said that the Government would, as always, put public interest at the first place during the negotiation with TWDC. Mr Andrew KAM of HKDL supplemented that the economic benefits brought by HKDL was significant. The additional spending of all HKDL visitors in Hong Kong was \$18.8 billion in FY15. Taking into account both the direct and indirect value-added generated from the additional spending, HKDL brought about \$9.3 billion of value-added to Hong Kong in FY15, equivalent to around 0.42% of Hong Kong's Gross Domestic Product, and created 20 900 jobs (in terms of man-years).

Financial performance and employment

39. Mr TANG Ka-piu noted that with the third-highest annual attendance in FY15, HKDL still recorded a net loss of \$148 million after deducting interest, taxes, depreciation and amortization. In view of the intensifying competition in the region brought about by the opening of SDR in mid 2016, Mr TANG enquired about the impact on the employment security and salary levels of the current 5 300 full-time and 2 500 part-time employees of HKDL if HKDL continued to incur financial loss in the coming years.

40. Mr Andrew KAM of HKDL advised that due to the decline in attendance and hotel occupancy rate, HKDL's total revenue in FY15 had decreased. HKDL would continue to explore and open up new markets to increase the revenue. Regarding employment, the increase in salary of HKDL's employees in FY15 was about 3-5%, with bonuses of one to 1.3 months' salary. HKDL would continue to keep abreast of employment market movement and to maintain cost management for achieving higher staff efficiency. In response to Mr TANG Ka-piu's question on whether HKDL's employees would have a pay rise in the coming year, Mr Andrew KAM of HKDL said that HKDL had not yet considered the pay adjustment for fiscal year 2016 ("FY16") at this stage, and would report the adjustment, if any, when HKDL next updated the Panel on its operation in FY16.

41. Noting the net loss of HKDL in FY15, the difficulties faced by local tourism industry, and the intense competition from SDR and the Ocean Park in Hong Kong, Dr LAM Tai-fai expressed grave concern over the problems faced by Hong Kong's tourism industry if no effective measures were introduced. He enquired about the strategic plans and measures to increase the attendance and hotel occupancy rate of HKDL. Mr Andrew KAM of HKDL advised that HKDL had its own characterised award-winning offerings and experiences to attract visitors. Facing the depreciation in currencies in the region including Japanese Yen and Korean Won, HKDL would continue to offer tailor-made promotional packages to visitors from different markets.

Measures to promote the business and tourism

42. Noting that the Administration and HKTB had been using the social media to promote the hospitable image of Hong Kong after some Mainland visitors had encountered unpleasant travel experience in 2015, Mr CHUNG Kwok-pan enquired about the effectiveness of such promotion. He also enquired about measures to be taken by HKDL to promote HKDL to overseas countries and potential new markets, in particular countries along the "One Belt, One Road" region.

43. C for T advised that the Government received reports from HKTB and the local travel trade regarding the feedback on and results of the promotional measures in rebranding Hong Kong's tourism image. HKTB would continue to clarify any misunderstanding of Mainland tourists regarding the travel experience in Hong Kong. Mr Andrew KAM of HKDL advised that efforts had been made to promote HKDL to the Mainland, Taiwan and Southeast Asian markets including the Philippines, Singapore, Malaysia and Thailand. HKDL would consider approaching countries within the middle Asian region when the transportation between that region and Hong Kong became more convenient.

44. Mr YIU Si-wing noted that a new hotel in HKDL would commence operation in 2017. Taking into account the HKDL hotel occupancy rate of 79% in FY15, Mr YIU enquired about the business development plan and measures of the new hotel to ensure sustainable hotel occupancy rate. Noting that HKDL recorded a drop of attendance of Mainland visitors, he also enquired about measures to be taken to increase the attendance of Mainland visitors. He was of the view that as SDR would draw visitors from Northern China region, HKDL should strengthen its promotion efforts to attract more visitors from Southern China region, including but not limited to Guangdong Province.

45. Mr Andrew KAM of HKDL advised that the new 750-room hotel dedicated to the spirit of exploration was currently under construction, which should be completed in Spring 2017. With the opening of the new hotel, more efforts would be devoted to promoting hotels at HKDL as facilities for MICE to complement the future development of tourism in Hong Kong. Regarding promotion of HKDL to cities in the southern part of Mainland, HKDL had stepped up its promotional efforts to cities including Shenzhen, Guangzhou, Zhuhai, Foshan and Dongguan.

46. Noting that the high return rate of HKDL could not be maintained due to lack of new entertainment offerings and a decline in overnight visitors to Hong Kong, Mr Gary FAN enquired about measures to sustain the long term development of HKDL, in particular measures used to attract local family visitors for multiple visits. He also enquired about measures taken by TWDC when facing declines in visitors in Disneyland Resorts in the United States of America. Mr Andrew KAM of HKDL advised that local visitors were encouraged through the introduction of new entertainment offerings and experiences on a bi-monthly basis as well as special promotional offers (e.g. "Play, Shop and Dine Offer"). In addition, through the "Magic Access" membership scheme, local visitors on average visited HKDL for six times a year. Also, vacation travel packages emphasising on resort experience had been launched to attract overseas visitors to HKDL.

47. Mr Albert CHAN opined that the Government and HKDL should conduct an in-depth review on the strategic planning and development of HKDL, in particular, the efficiency of the land used for the development of HKDL. He considered that the land surrounding the Inspiration Lake area should be further utilized and developed as a tourist hotspot with local characteristics for the public to spend their leisure time. Mr CHAN urged the Administration and HKDL to take into account the needs of local residents in adding new attractions and facilities to HKDL so as to attract more local residents who were potential high-spending visitors.

VI. Any other business

48. There being no other business, the meeting ended at 12:50 pm.

Council Business Division 4
Legislative Council Secretariat
19 May 2016