

**The 11th Asian International Exhibition of Food & Drink, Hotel,
Restaurant & Foodservice Equipment, Supplies & Services
(HOFEX 2005)**

Opening Ceremony on 10 May 2005 (Tuesday)

**Speech by Mr Stephen Ip,
Secretary for Economic Development and Labour**

Daniel [Cheung], Mark [Lettenbichler], ladies and gentlemen,

Today's ceremony marks the 11th year that HOFEX has been held in Hong Kong. This is another record year with the participation of over 1,800 companies and over 30,000 industry buyers from more than 70 countries and regions. These facts speak volumes about the success of HOFEX which has, in a very short time, become one of the premier fora for networking, trade promotion and information-sharing in the food and hospitality industries in the world. I warmly congratulate the organisers for bringing HOFEX to Hong Kong once again.

I am also proud to say that Hong Kong provides a world-class infrastructure, facilities and talents for international events like HOFEX. This is complemented with our proximity to the huge Mainland market, and our cosmopolitan community.

Taking a closer look at the food and hospitality industries in Hong Kong, our restaurants and hotels contributed over \$27 billion towards our total GDP in 2003. At the end of 2004, restaurants, fast

food shops and hotels accounted for over 8% of our total workforce. We expect these figures to grow further with more and more visitors coming to Hong Kong and experiencing our great variety of cuisine, from European to Asian and from fast food to fine dining. In 2004, we received over 21 million visitors who spent over \$20 billion on meals and hotel accommodation.

In the coming months, we envisage a number of exciting developments in our tourism industry as major tourist attractions will come on stream. Hong Kong Disneyland is scheduled to open on 12 September this year while the Hong Kong Wetland Park and the Tung Chung Cable Car (known as Ngong Ping 360) will open in early 2006. The Hong Kong Tourism Board plans to launch a new marketing campaign to promote Hong Kong throughout the world. 2006 will be designated as “Discover Hong Kong Year” to attract visitors to come to Hong Kong.

To leverage on the new attractions, two target segments have been identified as our future priorities. These are family and business travellers. According to information from the Hong Kong Tourism Board, last year, around 36% of visitors were family visitors but only 24% of them travelled with their children. For Mainland visitors, 46% were family travellers with 22% bringing along their children. We believe that this group of visitors offers considerable growth potential, especially with the opening of major tourism projects in the next few years.

Business travellers have also been one of our major market segments. In 2004, some 25% of overnight visitors were business travellers and they spent on average over 20% more than other visitors. We will focus our efforts on developing this high yield market segment in the coming years and this will create many new opportunities for all of you. To capitalize on these opportunities, it would be important for the industry to ensure that the services and products you provide are of high quality in order to win the hearts of our visitors.

Looking ahead, with all the exciting tourist attractions coming on stream, together with our world-class infrastructure and superb software, I am confident that Hong Kong will continue to be one of the world's leading destinations for leisure and business travellers.

In closing, I would like to thank the organizers for holding HOFEX in Hong Kong again. I wish HOFEX 2005 every success and all our visitors an enjoyable and rewarding stay in Hong Kong. Thank you.

Tourism Commission
Economic Development and Labour Bureau
May 2005