<u>Remarks by CE at media session before</u> <u>ExCo (with video)</u>

Following are the remarks by the Chief Executive, Mr John Lee, at a media session before the Executive Council meeting today (December 17):

Reporter: Good morning. Two questions. Can you share any tourist data since restrictions on Shenzhen residents visiting Hong Kong were lifted about two weeks ago, and what's the expectation for tourist arrivals over Christmas and New Year? And also, a public consultation on the upcoming financial Budget is now under way, so what expectations do you have for the Financial Secretary in tackling the rising deficit? Thank you.

Chief Executive: The resumption of multiple-entry visits for visitors from Shenzhen is seeing very good returns of tourists from the Mainland, particularly from Shenzhen. We can see the rise in figures of tourists, particularly over the weekend, which regularly sees an increase of between 20 and 30 per cent. I think this trend will continue, particularly when we will have Christmas and New Year coming very soon, and we will have a fireworks display for the countdown. We have to get fully prepared for this opportunity. With the increase in the number of tourists coming to Hong Kong from different parts of the world, in particular those from Shenzhen, we have to ensure that, first of all, we will treat them nicely, so that they all have a good experience and will think of coming back. I have already seen different sectors having already rolled out measures and indicated that they will be grasping these golden opportunities to ensure that tourists will be well taken care of and that they will do more businesses.

For the Government, we will ensure that the whole arrangement for tourists to come to Hong Kong will be orderly and safe, and that it will be a pleasant experience, particularly when they go through the boundary control points. We have already started the inter-departmental mechanism particularly, the Chief Secretary for Administration has already organised a high-level meeting on Thursday to take care of all the transportation and boundary-crossing point arrangements. The proposed arrangements include ensuring that the Shenzhen Bay Port will be open 24 hours, that the Lok Ma Chau/Huanggang Port will operate 24 hours smoothly with sufficient manpower and transportation arrangements, and that the Lo Wu Control Point will be open up to 2am, so as to allow visitors from the Mainland who may have to cross the boundary after the fireworks display to be able to do it conveniently. In the event that they cannot meet the 2am closing time, we have already arranged special transportation between Sheung Shui and San Tin for their use of the Lok Ma Chau/Huanggang Port. We will be on high alert for the different arrangements. The Lo Wu Inter-departmental Joint Command Centre will be in operation, so will the Security Bureau's Emergency Monitoring and Support Centre, as well as the Transport Department's Emergency Transport Coordination Centre - they will all be in operation, and particularly the Emergency Transport Co-ordination Centre will be in operation 24 hours.

The Government has been in liaison with different organisations, particularly those in the transportation and tourism industry, to ensure that everybody is ready and geared up, so as to make sure that things will happen smoothly, in an orderly manner, and safely to ensure the best experience for our visitors. All business sectors should grasp this opportunity to ensure that we will be having a very good Christmas and New Year arrangement for both visitors as well as Hong Kong people.

Regarding the Budget, the consultation has started this Sunday (December 15), and a lot of advice and opinions have already been provided. The Financial Secretary has been doing the Budget consultation for a number of years, and he will, of course, be taking serious attention to all the opinions and suggestions that are raised and examine the pros and cons, and also the reasoning and thinking behind, so as to ensure that the eventual Budget will satisfy the overall needs of Hong Kong. Yes, we have a budget deficit, but already we have said that we will try to increase income and also reduce expenditure as well, and promote economic growth, so the businesses will make more money, as a result of which the Government will also have more income. I am sure that the Financial Secretary will be paying heed to the different opinions and analyse all the opinions very objectively and thoroughly to ensure that the best Budget is prepared for Hong Kong.

(Please also refer to the Chinese portion of the remarks.)