

LegCo Question No.12
(Written Reply)

Date of sitting : 19 March 2003

Asked by : Hon LAU Kong-wah

Replied by : Secretary for Economic
Development and Labour

Question :

It has been reported that some travel agents operate outbound group tours at extremely low prices. As these group tours depart from places outside Hong Kong and do not include the provision of accommodation, they are not covered by the Travel Industry Compensation Fund and their operation is not subject to the regulation of the Travel Industry Council of Hong Kong ("TICCHK"). In this connection, will the Government inform this Council whether:

- (a) the consumer interests of people joining such group tours are duly protected; and
- (b) it will consider amending the existing legislation to bring the operation of such group tours under the regulation of the TICCHK; if so, of the details; if not, the reasons for that?

Reply :

Madam President,

My reply to the two parts of the question raised by Hon LAU Kong-wah is as follows:

- (a) In respect of tours organised by Hong Kong travel agents which commence outside Hong Kong and do not involve accommodation, the Travel Industry Council of Hong Kong (TIC) has promulgated a binding directive requiring travel agents offering such tours to state clearly in all their publicity materials that these tours are not under the protection of the Travel Industry Compensation Fund. This is to ensure that travellers concerned clearly understand their rights and can make an informed choice as to whether or not to join the tour, and consider taking out travel insurance.

- (b) Under the existing Travel Agents Ordinance, all travel agents are required to be members of the Travel Industry Council (TIC) before they can apply to Hong Kong Government for a travel agents licence. The TIC acts as the regulatory body for the travel trade. It has promulgated a Code of Conduct and also issues directives with which Members must comply. Any breach of the Code of Conduct or directive may result in disciplinary action being taken against the travel agent concerned. Travel agents operating group tours which commence outside Hong Kong and do not involve accommodation are regulated by the TIC. In accordance with its regulatory function, the TIC will deal with complaints involving such group tours.

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