

LCQ15: Unlicensed operation of travel agents' businesses

Following is a written reply by the Acting Secretary for Commerce and Economic Development, Mr Gregory So, to a question by the Hon Paul Tse in the Legislative Council today (May 13):

Question:

Some practitioners of the travel industry have complained to me that more and more people are operating, without a licence, travel agents' businesses (including selling air tickets, booking of hotel or guesthouse rooms and receiving inbound tour groups), dealing a heavy blow to the businesses of licensed travel agents. In this connection, will the Government inform this Council:

(a) how the Travel Industry Council of Hong Kong, Tourism Commission, Travel Agents Registry and other relevant government departments currently handle and follow up complaints about the unlicensed operation of travel agents' businesses; whether there was a rising trend in the number of complaints received by such departments in the past three years and, among them, the respective numbers of cases which had been and had not been followed up; of the specific reasons for some cases not being followed up and details of such cases;

(b) whether last year, it had conducted any survey on how the businesses of licensed travel agents had been affected by unlicensed operation; if it had, of the survey outcome; if not, whether it will conduct the survey expeditiously and study corresponding solutions; and

(c) what measures are in place to eradicate the unlicensed operation of travel agents' businesses, so as to protect the interests of licensed travel agents?

Reply:

President,

In accordance with the Travel Agents Ordinance (TAO) (Cap. 218), any person who carries on business as a travel agent without a licence commits an offence and is liable on conviction upon indictment to a fine of \$100,000 and to imprisonment for two years.

The Travel Agents Registry (TAR) and the Travel Industry Council of Hong Kong (TIC) have received reports of suspected cases of unlicensed travel agents' operation. Those received by the TIC have been referred to the TAR for follow-up. Upon receiving such reports, the TAR will immediately follow up and refer the cases to the Police for investigation so as to safeguard the interests of licensed travel agents and consumers. The Police will seek the advice of the Department of Justice on the evidence gathered from the investigation and consider whether or not to institute prosecution.

The statistics in respect of cases filed by the Police for investigation and prosecution over the past three years are set out at Annex.

Having considered the situation on unlicensed operation of travel agents' businesses and that other market factors also affect travel agents' businesses, the Government has not conducted the survey in question. The TAR has consistently reminded the public through various channels, including Announcements in the Public Interest, website and printed materials, to patronise licensed travel agents. The public may visit the websites of the TAR and TIC to check whether a travel agent is licensed. We also encourage the public to report to the TAR any suspected cases of unlicensed operation.

Ends

Annex

Cases filed by the Police for investigation and prosecution
over the past three years

Year	No. of case filed	No. of person arrested	No. of person convicted
2006	14	13	8
2007	14	16	10
2008	7	11	5