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Following is a question by the Hon Paul Tse and a written reply by the Secretary for Commerce and Economic Development, Mrs Rita Lau, in the Legislative Council today (February 24):

## Question:

It has been learnt that at present, local one-day tours are not required to be operated by licensed travel agents, and most of them are not escorted by guides holding tourist guide passes issued by the Travel Industry Council of Hong Kong. Besides, appropriate travel insurance is not taken out for such tours in general, and such tours do not fall within the scope of the Travel Industry Compensation Fund. Quite a number of members of the trade have relayed to me that the aforesaid tours not only affect the livelihood of licensed travel agents and guides holding tourist guide passes, but also pose serious risks to the safety of travellers, as such tours fail to provide adequate professional services and protection. In this connection, will the Government inform this Council whether:

(a) it knows the number of local one-day tours organised in Hong Kong in each of the past three years and, the total number of travellers joining such tours; if it does not know, whether it will compile such statistics expeditiously;

(b) it has considered monitoring the aforesaid tours and requiring that they must be serviced by tourist guides holding tourist guide passes; if it has, of the progress; if not, whether it will consider doing so expeditiously; and

(c) it will require that the aforesaid tours must be operated by licensed travel agents and that appropriate travel insurance must be taken out, and whether it will include this kind of tours in the scope of the Travel Industry Compensation Fund, so as to enhance protection for travellers?

Reply:

## President,

Under the Travel Agents Ordinance (the Ordinance) (Cap 218), anyone who carries on business as a travel agent and arranges local tours for inbound visitors

(including one-day local tours) must obtain a travel agent licence. According to the requirements of the Travel Industry Council of Hong Kong (TIC), travel agents may only employ Tourist Guide Pass holders issued by TIC to provide tourist guide services to inbound visitors.

Local tours that cater for local residents are not regulated under the aforementioned regime. This notwithstanding, the consumer rights of local residents who join local tours are generally protected and the relevant consumer protection laws apply. Furthermore, the Consumer Council will also offers advice and assistance to consumers when necessary.

My reply to the three-part question is as follows:

(a) Apart from companies that operate local tours, many organisations, such as educational institutions, community groups, religious bodies and owners' corporations etc, also run local one-day tours in Hong Kong. The Administration does not have breakdowns in various local one-day tours or keep statistics on them.

(b) As set out in the preamble above, the Government already regulates local one-day tours to a certain extent. As there are many local tours for local residents with various organisers, the nature of these local one-day tours are not entirely the same as general travelling and should not be directly compared with the latter. Furthermore, it may not be appropriate to require these local one-day tours to engage the service of accredited tourist guides. In particular, many of these local tours serve educational or socialising purposes. The organisers can work out the itineraries and designate suitable persons (e.g. school teachers, interest classes instructors and social workers) to lead and brief the groups according to the participants' needs. To require such local tours to be served by accredited tourist guides will undermine the flexibility of tour organisers in designating the right persons to take care of tour members and increase the costs of these activities. Therefore, we do not consider it appropriate to impose stringent requirements on this aspect.

(c) As mentioned above, the purpose, nature and requirements of local tours for local residents are different from tours for inbound visitors. So are services required. For this reason, we consider it inappropriate to extend the coverage of the Ordinance to local tours.

In respect of travel insurance, there is no statutory requirement to mandate

travel agents or travellers (both inbound visitors and local residents travelling abroad) to take out travel insurance. The existing travel insurance products are mainly for outbound travels. In the unfortunate event of local residents involving in accidents while taking part in local tours, they may use the service under our health care system. Furthermore, individual organisations or persons may have already purchased insurance to cover accidents. We therefore consider that it is not necessary to require the organisers of or local residents who participate in local tours to take out travel insurance.

As for the Travel Industry Compensation Fund, its objective is to provide ex gratia payment in case of default by travel agents or emergency assistance to Hong Kong residents in case of accidents when travelling abroad (e.g. expenses for compassionate visits to the place of accidents by their relatives and medical expenses incurred abroad). Therefore, we consider that it is not necessary to extend the coverage of the fund to local tours for local residents.

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