

Hong Kong Tourism Board
Comments on Consultation Paper on
Review of the Operation and Regulatory Framework
of the Tourism Sector in Hong Kong

The Hong Kong Tourism Board (HKTB) is pleased to provide this submission in response to the consultation paper on the review of the operation and regulatory framework of Hong Kong's tourism sector issued by the Commerce and Economic Development Bureau (CEDB) on 29 April 2011.

2. The HKTB appreciates CEDB's efforts in addressing the malpractices within the travel industry, and devising an effective regulatory regime for the sustainable and healthy development of the tourism sector. In particular, the HKTB is grateful for the presentation on the consultation paper by the bureau to Board Members in May 2011, which facilitated Members' deliberation at a subsequent special Board meeting on 13 June 2011. The paragraphs below summarised Members' comments on the proposals set out in the consultation paper.

3. In the light of the development and changing circumstances of the tourism industry, Members of the Board were generally of the view that an independent statutory body would ensure efficient and effective regulation of the travel sector. Members believed that a statutory body can enhance the independence and credibility of the regulatory framework of the tourism sector. Its statutory nature also ensures a solid legal basis to carry out regulatory work, thus avoiding disputes.

4. Members were nevertheless concerned about the interim arrangements and smooth transition leading to the establishment of the statutory body, given that the Administration has indicated in the consultation paper that the associated amendment to legislation might take about two and a half years. Members considered that pending the setting up of the statutory body, appropriate improvement measures should be put in place to enhance the operation and regulation of the travel sector in the interim.

5. In addition, Members considered that the Trade Industry Council of Hong Kong (TIC) should be involved in the future statutory body, so as to facilitate the communication and co-ordination between the trade, the statutory body and the Government. Hence, it is suggested that the membership of the independent statutory body should comprise of the following:

8	Ex-officio representatives from TIC
11	Independent non-trade members appointed by the Government
1	Representative from tour co-ordinators associations
1	Representative from tour guides associations
1	Official from Government as Vice-Chairman
<u>1</u>	Chairman to be appointed by the Government
23	Total

It is believed that the above composition would ensure the independence and credibility of the statutory body, while maintaining close liaison with the trade members.

Hong Kong Tourism Board
7 July 2011