

Our ref: RY/AC/040/2002

CB(2)937/01-02(01)號文件
Paper No. CB(2)937/01-02(01)

12th January 2002

The Editor
South China Morning Post Publishers Ltd
29th Floor, Dorset House
979 King's Road
Quarry Bay
Hong Kong

Dear Sir,

Re: Your Article Headlined “Travel council fails to protect public”

I am instructed by the Board to respond to your article headlined “Travel council fails to protect public” in which the Consumer Council accused the Travel Industry Council of Hong Kong (TIC) of failing to protect consumers and lacking transparency. We regret to say that the accusations are totally unfounded and demonstrate a lack of understanding of the work of TIC.

On protection of consumers

TIC has issued four sets of codes to regulate the general conduct of members, their advertising practice, and business practice relating to both inbound and outbound package tours. In addition, over a hundred directives have so far been issued by the Board to monitor the service standard of members. These codes and directives are binding on members. Violation of these codes and directives will subject a member to penalty to be imposed by the Compliance Committee. Members aggrieved by the decision of the Compliance Committee may appeal to the Appeal Board.

TIC has set up two hotlines to receive complaints and enquiries from inbound tourists and outbound travellers respectively. The Consumer Relations Committee, consisting of both trade and non-trade members, is specially set up to resolve disputes between consumers and travel agents.

During the past few years, we have handled a considerable number of tourist complaints that were targeted at retail shops recommended by our members. All of those cases have been settled to the satisfaction of the complainants. We have also issued a directive to require all members to register with us those shops that they will arrange for tourists to patronize. One condition for registration is that the retail shops must undertake to fully refund those customers who are not satisfied with their purchases and return the goods within 14 days.

It is extremely unfair to TIC that the Consumer Council should fail to recognize TIC's determination to protect the interests of the public and the effort that it has put into protecting the public.

On transparency

The Board of Directors of TIC currently has 21 members and four of which are independent directors appointed by the Financial Secretary from outside the trade. The number of independent directors will be increased to 8, which will constitute over 30% of the total number of directors on the Board. We believe that such a percentage is highly sufficient as far as a self-regulatory body is concerned. The percentage is fact higher than most other self-regulatory bodies.

Besides the independent directors, there are five independent members on our Appeal Panel. They include three Legislative Councillors, one District Board member and one expert from the information technology sector. The quorum for Appeal Board meetings is three independent members and two trade members, and the chairman of the meeting must be an independent member. The seven non-trade members on our Consumer Relations Committee include professionals from the legal, insurance and academic sectors.

Unless the Consumer Council has reasonable grounds to suspect the integrity of our independent directors and members, its accusations are simply doing injustice to them.

As a public body under the Prevention of Bribery Ordinance, the various practices adopted by the Board and the Executive Office to carry out TIC's functions are reviewed by the ICAC at regular intervals. The work and accounts of TIC are published in the Annual Reports. TIC communicates with its members from time to time through issuance of circulars and publication of the quarterly magazine "The Voice of TIC". There is also a website and a fax hotline to provide information and service to both members and the public.

We will not be surprised if the criticisms have come from any organization but our close partner – the Consumer Council. Our Board has never expected such harsh remarks to be made openly by an organization that we have been working hand in hand with for so many years to protect consumer interests. Our independent directors and members, who have devoted so much of their valuable time and expertise to uphold fairness in our regulatory system, do not deserve such criticisms.

Thank you very much for your kind attention.

Yours sincerely

TRAVEL INDUSTRY COUNCIL OF HONG KONG

Ronnie Yuen

Chairman

cc The Hon Sin Chung Kai, Chairman, Bills Committee on Travel Agents (Amendment) Bill 2001
Ms Sandra Lee, JP, Secretary for Economic Services
Mrs Rebecca Lai, JP, Commissioner for Tourism
The Hon Selina Chow, JP, Chairman, Hong Kong Tourism Board
The Hon Howard Young, JP, Legislative Councillor, Tourism Constituency
Independent Members of the TIC Appeal Panel
Independent Directors of the Board of TIC
Non-trade Members of the Consumer Relations Committee of TIC