

立法會
Legislative Council

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Legislative Council
Panel on Economic Services

Minutes of special meeting held on
Wednesday, 20 February 2002, at 2:30 pm
in the Chamber of the Legislative Council Building

Members present : Hon James TIEN Pei-chun, GBS, JP (Chairman)
Hon Kenneth TING Woo-shou, JP
Hon Mrs Selina CHOW LIANG Shuk-ye, JP
Hon CHEUNG Man-kwong
Hon HUI Cheung-ching, JP
Hon CHAN Kam-lam
Hon SIN Chung-kai
Hon Howard YOUNG, JP
Hon Miriam LAU Kin-ye, JP
Hon CHOY So-yuk
Hon Henry WU King-cheong, BBS

Members absent : Dr Hon LUI Ming-wah, JP (Deputy Chairman)
Hon Eric LI Ka-cheung, JP
Dr Hon David LI Kwok-po, GBS, JP
Hon Fred LI Wah-ming, JP
Dr Hon Philip WONG Yu-hong
Hon Jasper TSANG Yok-sing, JP
Hon LAU Chin-shek, JP

Public officers attending : Economic Services Bureau

Ms Sandra LEE
Secretary for Economic Services

Mrs Rebecca LAI
Commissioner for Tourism

Mr WU Kam-yin
Assistant Commissioner for Tourism

Mr Eric HO
Registrar of Travel Agents

Security Bureau

Ms Linda K P SO
Principal Assistant Secretary for Security

Mr CHAN Kwok-ki
Assistant Secretary for Security

Immigration Department

Mr C T LAI
Assistant Director of Immigration

**Attendance by
invitation**

Travel Industry Council of Hong Kong

Mr Joseph TUNG Yao-chung
Executive Director

Hong Kong Association of China Travel Organizers

Mr CHAN Lup-chi
President

Mr Simon S K HAU
Vice President

Clerk in attendance : Mr Andy LAU
Chief Assistant Secretary (1)2

Staff in attendance : Ms Debbie YAU
Senior Assistant Secretary (1)1

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I Enhancing the protection of Hong Kong tourists visiting the Mainland
(LC Paper No. CB(1)883/01-02(05) - Information paper provided by the Administration)

The Chairman said that this item was originally scheduled for discussion at the Panel meeting on 28 January 2002. Due to time constraint, it was deferred to a later meeting. However, during the Chinese New Year holidays, two serious coach accidents happened in the Mainland involving fatalities and serious injuries of Hong Kong residents. In view of wide public concern, a special meeting was convened to review the incidents and remedial measures with the Administration and the trade. Two deputations, namely the Travel Industry Council of Hong Kong (TIC) and Hong Kong Association of China Travel Organizers (HKACTO) were invited to attend the meeting. The submission from HKACTO was tabled for members' information.

(Post-meeting note: The submission from HKACTO was subsequently issued to members after the meeting vide LC Paper No. CB(1)1124/01-02.)

The coach accidents

2. Secretary for Economic Services (SES) said that the Administration was equally concerned about the two coach accidents happened in the Mainland during the Chinese New Year holidays, involving fatalities and serious injuries of Hong Kong residents. She sent her condolences to victims and their family members. She said that prior to the Chinese New Year holidays, the Commissioner for Tourism (C for Tourism) had indeed reviewed with the Guangdong Provincial Tourism Administration (GPTA) measures to enhance protection for coach tours in the Mainland. The Administration understood that guidelines had been issued to local authorities in the Mainland reminding them to implement a series of measures to enhance safety.

3. SES further said that shortly after the coach accidents in Shenzhen-Shantou Expressway (SSE) on 12 February and in Guangxi on 14 February, C for Tourism had reviewed the matter again with the GPTA. TIC had also maintained close contacts with the travel agencies concerned and provided prompt assistance to the family members of the victims. It had also issued circulars to its members reminding them to advise their tour escorts to keep a close watch on the speeding activities and driving behaviour of coach drivers, and to take appropriate actions to stop any such malpractices.

4. The Assistant Director of Immigration (AD of I) advised that the Administration had taken prompt actions to facilitate the return of injured Hong Kong residents for medical treatment. It had activated emergency contingency measure and publicized the Assistance to Hong Kong Residents Unit's hotline numbers to the public so that they could make inquiries or seek assistance where necessary. It had contacted the families of the concerned persons in order to notify them of the updated

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developments and to take any necessary follow-up actions on their requests.

5. Mr Joseph TUNG, Executive Director of TIC said that TIC had, all along, maintained regular dialogue with the China National Tourism Administration (CNTA) with a view to implementing safety measures to enhance protection for visitors on coach tours. CNTA had reinforced communication with GPTA reminding the latter to tighten the supervision of tour coach companies. On Hong Kong side, TIC also reminded the Hong Kong Guangdong Boundary Crossing Bus Association to take necessary precautionary steps to enhance protection for visitors on coach tours.

6. Mr TUNG further said that the preliminary investigation revealed that the SSE accident might have been caused by the driver being over fatigue and the driver had been detained since the accident. Regarding the accident in Guangxi, it was suspected that the vehicle went out of control after the driver tried avoid hitting a passing bicycle. The local Mainland authorities had been requested to provide detailed investigation reports to the TIC. The TIC would hold separate meetings with the CNTA, GPTA and Guangxi Provincial Tourism Administration (GxPTA) to follow up on how to prevent recurrence of similar incidents in future. GxPTA was of the view that drivers should be restricted to driving only in their respective provinces. GPTA, on the other hand, recommended that Hong Kong travel agencies should only collaborate with registered and licenced coach operators and local travel agencies to ensure proper standard of services. The TIC would discuss further with the CNTA with a view to applying these new safety practices and regulations to cover other parts of the territory in the Mainland.

Preventive measures

Road Safety

7. Mr HAU, Vice President of HKACTO was of the view that the coach accidents were caused by a number of factors. There were inadequate supporting services to cater for the rapid development of tourism and infrastructure in the Mainland. Apart from providing crash barriers and improve the lighting system on the carriageways, there was also a need to step up enforcement actions to prevent traffic accidents, increase the penalties for traffic offences and arouse the safety awareness of drivers through training. He pointed out that the ‘two-driver’ rule was a prevalent policy in the Mainland for journeys exceeding 8 hours or of night trips. However, strict compliance of the rule was not seen in some areas.

8. Mr HAU also remarked that in order to protect drivers and tourists from fatigue, there was a need to review the itinerary and travelling time of coach tours to avoid excessive long-haul trip on a single day. Journeys exceeding five hours or 400 kilometers per day should be avoided. To ensure compliance, the TIC and the local Mainland authorities should examine the details of the proposed coach tours from agents before approval was given to accept customers in the market. The said

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authorities should also request the operators to suspend organizing tours passing through accident-prone road sections until improvement measures had been implemented to enhance safety. The Chairman remarked that newly designed routes involving new roads should also be carefully assessed before they were launched in the market.

9. C for Tourism replied that the development of new tourist destinations needed to be complemented by tourism infrastructure and facilities. As such, necessary improvement to road network would normally be implemented by the Mainland authority if they wished to promote a particular point as an attractive tourist destination.

10. Mr CHAN Kam-lam was concerned about the repeated occurrence of serious traffic accidents involving coaches used by Hong Kong tour groups, particularly during Chinese New Year holidays when inexperienced drivers were required to take up the duties. He called on the Administration and the TIC to improve the situation.

11. Mr TUNG replied that the TIC had requested the CNTA to impose a tighter speed limit on roads, to strictly enforce the "two-driver" rule on coaches for long-haul journeys, and to increase enforcement by traffic police. Tour escorts from Hong Kong had been reminded of the need to keep a closer watch on the driving behaviour of driver, and, if necessary, request for a replacement. These recommended practices had been conveyed to the Mainland travel agents.

12. Mr HUI Cheung-ching was of the view that there was a need to strengthen the inspection of tour coaches to ensure that they were safe for operation. He enquired whether the coaches in use were subject to an age limit of five years. He also sought clarification on the definition of long-haul journeys.

13. Mr TUNG replied that according to the GPTA, only brand new coaches would be issued with vehicle licences. They were subject to annual road-worthiness test. Normally, their life span would not exceed five years. He confirmed that the coach involved in the Guangxi accident of the Guangdong Travel Agent had been in use for just one year.

14. Mr Kenneth TING appreciated the Administration's concerted efforts in providing prompt assistance to victims and their families in the accidents. He considered that feedback from passengers would be an effective indicator to assess the driving skill and behaviour of drivers. The authorities should impose penalties on those drivers who had repeatedly received complaints from passengers, including the suspension of their driving licence.

15. C for Tourism understood that disciplinary actions would be taken by the CNTA against travel agencies who had seriously violated the rules. The TIC would continue to review with the CNTA past incidents and on enhancement of safety

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measure and means of enforcement. Mr TUNG added that tour escorts had been reflecting malpractice of coach drivers or travel agents to the HK travel agents concerned. Appropriate penalties and follow-up actions would be taken accordingly. For instance, upon the receipt of the investigation report prepared by the local Mainland authorities, the driver as well as the Mainland travel agent involved in the accident would be penalized and blacklisted. The TIC might then promulgate the blacklist to the travel agents in Hong Kong.

Price, quality and consumers' choice

16. Mr Howard YOUNG declared that he was one of the honorary chairmen of the HKACTO. Referring to the submission of the HKACTO, he said that due to cut-throat competition among the trade, the long-haul coach tours were operated at low prices with tight schedules. To ensure the quality of service which might have safety implication, he opined that there was a need to consider imposing a minimum price for this kind of coach tours. The Chairman echoed that the price of coach tour might affect the quality and standard of service since major coach accidents happened in the Mainland seldom involved European or American tourists who joined more expensive tours.

17. C for Tourism pointed out that price setting was not in line with the competition policy of our free economy. She agreed that the TIC should keep a closer watch on the financial viability of a proposed coach tour to ensure the quality of service. Mr TUNG clarified that the price differential between package tours might not have a direct bearing on safety. European or American tourists usually visited big cities in the Mainland instead of newly open scenic spots such as the De Tian waterfall in Guangxi. Nevertheless, the TIC would monitor the price level and standard of service with the Mainland tourism authorities before approving a particular route to prevent possible dangers caused by tours operating at unreasonably low costs.

18. Mrs Selina CHOW also objected to the idea of imposing a minimum price for coach tours as it contravened the basic principles of free market economy. She agreed with Mr TUNG that evaluation of drivers' performance by passengers should be adopted. Provided that sufficient information was given to consumers, they would be able to screen out unqualified operators in the market.

Assistance Services

Medical advice

19. On the scope of assistance services provided by the Administration, Mr CHEUNG Man-kwong called for direct on site medical advice to be lent to the casualties in the place of accidents. He quoted the case of Mr WONG Yiu Wing, a victim of sustained injury in the Guangxi accident, who was advised to have one of his legs removed as part of the treatment plan in the Nanning Hospital. Mr WONG

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refused to take the advice and he chartered a flight at the cost of HK\$230,000 to return to Hong Kong. He was later confirmed by the Queen Elizabeth Hospital that he could keep his leg. As such, Mr CHEUNG considered it gravely crucial that injured Hong Kong residents could rely on medical advice given by medical professionals from Hong Kong before they decided where to receive treatment. He urged the Administration to consider sending medical professionals together with the team of administrators and immigration officers to the place of accidents and helping the injured to make the judgment for medical treatment.

20. In response, Mr TUNG clarified that Mr WONG chartered an urgent flight to Hong Kong at the advice of the local doctor in order to seek treatment from Hong Kong as soon as possible. While agreeing medical assistance was the top concern during major mishaps, SES cautioned about the possible policy implication of having to send medical professionals to accidents happened in other places of the world and to other HK residents who were not joining the package outbound tours. She understood that the TIC was considering measures related to insurance in this regard and encouraged the TIC to develop the ideas further in order to provide more protection to Hong Kong residents.

21. The Chairman also remarked that the Administration could not afford to send a team of medical professionals who were competent in all aspects to all places of accidents. Mrs Selina CHOW also did not support the proposal. She opined that despite the judgment made by the medical professionals, the final decision rested with the injured Hong Kong residents.

22. Mr CHEUNG said that it was not a matter of insurance coverage nor the lump sum of money involved in the chartered flight. It was a matter of life and death that the victims had to face. On-site medical advice helped the victims to make the judgment between staying in the Mainland and returning to Hong Kong for further treatment. Local doctors, especially those in the remote places, were unable to tell whether the doctor and hospital in Hong Kong could render better treatment or not. The judgment of Hong Kong medical professionals was indispensable in this aspect. After all, such medical advice was not required frequently. He called on the Administration to reconsider his request.

Compensation and insurance

23. Members noted that the Package Tour Accident Contingency Fund Scheme (the Scheme) was provided for in 1996 under the Travel Industry Compensation Fund (TICF) which was set up in 1993. It offered financial relief to outbound travellers on package tours who were injured or killed in accident whilst touring abroad. At present, the balance of the TICF was in the order of HK\$ 300 million. Members also noted that according to Guidance Notes for Licensed Travel Agents, the tour escort should ascertain whether outbound travellers would seek compensation from their insurers or apply for ex-gratia payment under the TICF when there was a tour

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accident.

24. In light of the recent incident, Mr TUNG considered a need to review the scope of the coverage of the Scheme. It should include cost of medical evacuation to Hong Kong. In parallel, discussions with insurance companies in respect of a wider coverage for travel insurance were underway.

25. In this regard, Mr HAU considered the present compensation limit of HK\$ 180,000 was not sufficient to provide adequate assistance to the needed person. These included:

(a) Medical expense incurred in the place of accident outside Hong Kong	up to HK\$100,000;
(b) expenses incurred in the place of accident outside Hong Kong for funeral or return of dead body/ashes to Hong Kong	up to HK\$40,000;
(c) expenses for compassionate visit or handling of residual matters relating to the death by two relatives	up to HK\$20,000 per relative

He opined that it was unlikely for any single case to exhaust the maximum provision of each category unless the victim died in the course of receiving medical treatment in the place of accident. He further proposed to raise the maximum compensation limit to HK\$1 million, covering:

- (a) expenses for transporting the injured back to Hong Kong;
- (b) medical expenses incurred in Hong Kong;
- (c) expenses for returning of dead body/ashes to Hong Kong; and
- (d) expenses for handling matters relating to the injured and the accidents by TIC or TICF staff.

26. SES pointed out that TIC had been working on the subject matter in collaboration with the industry. She agreed to refer the suggestion of extending TICF to cover medical evacuation to the TICF Management Board and the Advisory Committee on Travel Agents for consideration.

27. Since not all outbound travellers would acquire the necessary insurance, Mr SIN Chung-kai urged the Administration to consider introducing a mandatory insurance scheme for outbound travellers. The amount to be insured should be

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sufficient to cover their medical evacuation to Hong Kong in case of accidents. In view of the time required in processing the claims by the insurance companies, the TICF could meet the expenses first. All travellers would need to produce proof of insurance coverage before they departed on an outbound tour.

28. Mr Howard YOUNG said that the scope of the TICF and its operational details were regularly brought forward for discussion at the Advisory Committee on Travel Agents. However, suggestions put forward were not accepted. He looked forward for a breakthrough to strengthen the protection after the present incidents.

29. Mrs Selina CHOW agreed that the \$300 million TICF should be better utilized to render immediate assistance to victims. She however remarked that the decision on buying travel insurance should rest with individual travellers.

30. C for Tourism also stated that the functions and the coverage of the TICF could be reviewed in light of the latest development. The Government was open minded in this matter.

31. Mr CHAN Kam-lam relayed a complaint about the need for victims of the SSE accident to sign on some insurance claim forms amounted from HK\$5,000 to \$10,000 before they could leave the Mainland.

32. In response, Mr TUNG clarified that the filing of claim form against the responsible Mainland party in SSE accident was a thoughtful gesture in consideration that it was inconvenient for the victims to file claims against the coach operators after they returned to Hong Kong. The local police in charge considered it more appropriate to settle the claims in the place of the accident. Given the chaotic and helpless situation that the victims were facing, Mr CHAN Kam-lam was of the view that a proper arrangement should be put in place instead.

Telephone services

33. Mr CHEUNG Man-kwong reflected that some family members of the victims were diverted to voice mail when they telephoned TIC or offices of the Security Bureau after the accidents. He opined that sufficient staff should be deployed to answer calls during high-risk periods such as the Chinese New Year holidays.

34. Mr TUNG replied that whilst all calls received by his office during public holidays were diverted to voice mail, his mobile phone, the number of which was made known to all travel agents, was open at all times. Telephone numbers on crisis management arrangement were also available to all members of the TIC. Nevertheless, he accepted Mr CHEUNG's view and would arrange staff to answer telephone calls during high-risk periods.

35. AD of I confirmed that the Assistance to Hong Kong Residents Unit would

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forward all calls outside office hours to the Duty Officer of the Harbour Control Section of the Immigration Department. As such, there was adequate staffing arrangement to receive calls relating to assistance to those in need on a 24-hour basis.

Roles of the Government and the TIC

36. Concerning the line of responsibility, the Chairman opined that a government establishment was more appropriate than the TIC, an industrial organization, in working with the Mainland authorities at national or local levels on safety measures to protect Hong Kong residents. Indeed, this was especially true when it came to enforcement of measures such as suspension of driving or vehicle licenses.

37. In response, SES pointed out that the Government had approached the Mainland authorities and impressed upon them the need to step up safety measures. On the other hand, TIC was tasked with the responsibility to regulate the standards of Hong Kong travel agents, monitor the standards of the counterparts outside HK, and assure the quality of services.

38. C for Tourism informed members that apart from frequent contacts through telephone or fax, the Tourism Commission held regular meetings with the CNTA and GPTA. The latest meeting with the GPTA was held on 2 February 2002, before the Chinese New Year, in which measures to enhance protection for visitors on coach tours was a major concern. After the meeting, GPTA met with representatives from the tourism boards and transport departments at provincial and city levels stressing the importance of strict compliance of the safety rules, the proper maintenance of vehicles and deployment of drivers.

39. C for Tourism further said that the Administration was the first level to administer the Travel Agents Ordinance (TAO) which provided a legislative framework for the regulation and control of matters related to outbound travels. For instance, the Travel Agent Registry of the Tourism Commission was responsible to issue licences for all travel agents. Under the provisions of the TAO, TIC was an approved organisation vested with the responsibility of monitoring outbound travel agents and protecting the interests of travellers. They managed and regulated different areas in the control of travel agents by promulgating Codes of Conduct. TIC also worked closely with the national or local Mainland tourism authorities to assure the quality of services provided by and to discuss the details of the operational guidelines for the local travel agencies in an effective manner. C for Tourism opined that it was more effective for the self-regulatory industry body to collaborate directly with their counterparts in the Mainland.

40. Mr Howard YOUNG called for a review on such working relationship set up before the hand-over when there was no established channel for the then Administration to communicate with the Mainland authorities on tourism issues. He opined that after all, TIC was an industry body with limited resources, the

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Administration should not over rely on them. After the return of sovereignty, the Administration should provide more input in areas such as those concerned the Mainland transport departments which might have gone beyond the power and responsibilities of the TIC.

41. C for Tourism said that it was the intent of the Administration to shoulder responsibility of this type. Apart from discussing issues with the Mainland tourism authorities both at the national and provincial levels, the Tourism Commission also co-ordinated matters which straddled across a number of policy bureaux or departments. For example, on the issue of relaxing the quota of Mainland visitors coming to Hong Kong, it had negotiate among tourism authorities, HKSAR Government Beijing Office and Hong Kong and Macao Affairs Office under the State Council. However, when it came to operational details such as blacklisting local travel agents or reviewing specific guidelines, it would be more effective for the issues to be followed up by the TIC.

II Any other business

42. There being no other business, the meeting ended at 4:00 p.m.

Legislative Council Secretariat
23 May 2002