

Panel on Economic Services
Meeting on 27 November 2006
Written Submission by Quality Tourism Services Association

Quality Tourism Services Association (QTSA) shows high concerns over repeated negative report on visitors being deserted by tour guides and forced shopping as the result of zero-fare tours. We consider that these malpractices of travel agencies and tour guides do not only hinder the healthy development of local tourism industry and damage Hong Kong's reputation as "Shoppers' Paradise", but also tarnish the quality fame of local retail industry. In a bid to curb these malpractices, QTSA has established a task force, with members across different retail and catering sectors, to look into this issue. Since its establishment, the task force has initiated discussions with different tourism authorities, including Tourism Commission (TC), Hong Kong Tourism Board (HKTB) and Travel Industry Council (TIC) to reflect the Association's concerns and discuss on possible solutions.

QTSA appreciates the dedication and relentless effort of the HKSAR Government to tackle the issue of zero-fare tour and would leverage on our Association's edges – *with over 1,200 merchants and covering variety of retail and catering sectors*, to offer all kind of supports and opinions to the Government.

QTSA has the following views regarding the tackling of industry malpractices:

1. Expedite the development of standard contract to enhance consumer protection

QTSA supports the development of standard contract between travel agency and visitors. The standard contract should list out in details the shopping itinerary and mandatory tour expenses so as to enhance transparency and facilitate informed decision of consumers.

2. Enhance visitor education and promotion

Suggest the Government to work closely with mainland authorities to strengthen the promotion of Hong Kong tours in strategic cities. In parallel, the Government should keep on upgrading the quality and service standards of the tourism services industry in order to regain visitor confidence and satisfaction:

In Mainland

- suggest China National Tourism Authority to obtain free airtime from CCTV for promotion of "Quality Tourism Services" (QTS) scheme and "Hong Kong Travel Tips"
- suggest China National Tourism Authority to work closely with travel agencies and authorities to promote "QTS" actively to customers when they book for Hong Kong tours

In Hong Kong

- co-opt with telecommunications service providers to deliver short messages to inbound visitors upon arrival, with listing of visitor hotlines of Consumer Council, HKTB and TIC
- enhance promotion of consumer protection in Hong Kong at ports of entries and tourist areas, further reinforce Hong Kong as quality city for travel and with maximum protection for consumers
- establish information kiosks at popular tourists areas for instant enquiry of QTS merchants and privileges for visitors

- offer more industry trainings to upkeep quality standards of the trade and frontline. QTSA could serve as industry platform to promote quality culture across retail and catering sectors

3. Expand “Quality and Honest Tour” to restore our reputation as Shoppers’ Paradise

To demonstrate our strong support for “Quality and Honest Tour”, QTSA could unite quality merchants within our member base to active promote the Tour, and to showcase to the “Quality and Honest” tour group as well as other mainland visitors the quality choices for shopping and dining in Hong Kong.

4. Review and improve the regulatory framework for the travel trade

The recent negative reports on zero-fare tours have revealed the prevailing problems and the lack of self-discipline by the travel trade, hence, the Government should review the industry conduct and impose measures for effective monitoring:

- review and improve current regulations, disciplinary measures of the TIC, including the “14 Days 100 Percent Refund Guarantee Scheme”, “Demerit System for Registered Shops”, “Codes of Conduct” for Tourist Guides and Travel Agencies etc. Should impose more stringent penalty for non-disciplinary travel agencies and tour guides.
- increase the number and ratio of non-industry members on the disciplinary committee of TIC, for instance, include representatives of retail and catering sectors from Hong Kong Retail Management Association, QTSA, Hong Kong Jeweller's & Goldsmiths Association, Hong Kong Federation of Watch Trade and Industries, Hong Kong & Kowloon Electrical Appliances Merchants Association, The Cosmetic & Perfumery Association of Hong Kong, Hong Kong Federation of Restaurants and Related Trade etc., in order to maintain public interest, enhance the representation of TIC on tourism services industry, and create positive, long-term impact for the sustainable development of the tourism industry.