

**Government's Response to the Matters raised
at the Meeting of Bills Committee on Travel Industry Bill
held on 15 January 2018**

Purpose

This paper sets out the Government's response to the matters raised at the meeting of the Bills Committee on Travel Industry Bill (the Bill) held on 15 January 2018.

Definition of Carrying on Travel Agent Business

2. At the meeting, some Members asked whether clause 4(4)(b) and clause 4(4)(c) need to be amended having regard to the Hotel and Guesthouse Accommodation Ordinance (Cap. 349). As the Bill is different from that Ordinance in terms of purposes, nature and regulatory targets, we consider that direct comparison between the two is not appropriate.

3. Under the Hotel and Guesthouse Accommodation Ordinance, *hotel* and *guesthouse* mean "any premises whose occupier, proprietor or tenant holds out that, to the extent of his available accommodation, he will provide sleeping accommodation for any person presenting himself who appears able and willing to pay a reasonable sum for the services and facilities provided and is in a fit state to be received". The primary purpose of that Ordinance is to ensure, through the implementation of a licensing regime, that premises intended to be used as hotels and guesthouses meet the specified building structure and fire safety standards, so as to safeguard the safety of guests and the public. Under that Ordinance, a licence must be obtained for providing sleeping accommodation at a fee in any premises unless the relevant premises are excluded from the application of that Ordinance by the Hotel and Guesthouse Accommodation (Exclusion) Order (Cap. 349 sub. leg. C). Under that Order, premises excluded include child care centres, bedspace apartments, elderly homes and those premises in which accommodation is provided on the basis of at least 28 continuous days for each letting.

4. Clause 4(4)(b) and clause 4(4)(c) of the Bill originate from section 4(2)(b) and section 4A(2)(b) of the Travel Agents Ordinance (Cap. 218) respectively. Any person who obtains for another person/a visitor to Hong Kong accommodation outside Hong Kong/in Hong Kong intended to be occupied by that other person/that visitor for more than 14 days does not carry on travel agent business, and is not required to hold a travel agent licence.

The proposed regulatory targets of the Bill are persons obtaining for the public of Hong Kong or visitors to Hong Kong outbound or inbound travel services. Having regard to the length of accommodation in practice involved in travel services at present, we consider it appropriate to adopt the 14-day period limit as currently provided under the Travel Agents Ordinance.

Interpretation of “Mainland Inbound Tour Group”

5. As we pointed out at the meeting, based on our checking with the China National Tourism Administration (CNTA), the regulatory system of the Mainland does not impose any limitation on the number of persons constituting a tour group travelling from the Mainland to elsewhere. We will amend the definition of *Mainland inbound tour group* in clause 2(1) accordingly.

Regulation of Mainland Inbound Tour Groups Organized by Parties other than Mainland Travel Agents

6. Any person who obtains inbound travel services described in clause 4(1)(a)(iii) to (v) for visitors to Hong Kong (including visitors from the Mainland to Hong Kong) will come under the regulation of the Bill in various aspects, including requirements on issue and renewal of licences, licence conditions and administrative measures formulated by the Travel Industry Authority, etc. In addition, as we pointed out at various meetings as well as in LC Paper No. CB(4)1101/16-17(01), incidents of improper operation of Mainland inbound tour group business took place from time to time in the past, some of which even involved injuries and deaths, seriously tarnishing the image and reputation of Hong Kong’s travel industry. We therefore need to introduce targeted measures into the Bill. Clause 6(3) thereof prohibits Hong Kong travel agents from obtaining inbound travel services for Mainland inbound tour groups organized by Mainland travel agents that are not approved by the Mainland regulatory body (i.e. CNTA or the relevant regional tourism regulatory authorities). Offenders, on conviction on indictment, are liable to a maximum penalty of a fine of \$100,000 and imprisonment of two years.

Commerce and Economic Development Bureau
Tourism Commission
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