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## \$10m compensation for travellers

**By FANNY WONG**  
 COMPENSATION for victims of the Austravel and PC Travel agencies which collapsed two years ago could top \$10 million.

And the payments are likely to be made out of the recently-established Travel Industry Council (TIC) Reserve Fund, which has accumulated \$8 million in the past four months.

The TIC fund will have to be mobilised because its predecessor, the Travel Agents Reserve Fund, established in 1985 when the Travel Agents Ordinance was introduced, has only \$200,000 left.

Set up as a result of an amendment to the ordinance last summer, the TIC fund compensates victims of travel agents which collapsed after the enactment of the new law.

But special dispensation was made to cater for the victims of Austravel and PC Travel once the original fund had been used up.

The Registrar of Travel Agents, Mr Joseph Wong Tai-nang, said provision had been made to transfer money from the TIC fund to its predecessor to help meet outstanding claims.

He said they had received about 3,000 applica-

tions for compensation from victims of the two travel agencies. He estimated the compensation would total \$10 million.

The Deputy Secretary for Economic Services, Mr Rafael Hui Si-yan, said victims of the two travel agencies could opt for full 100 per cent compensation payable in three years or for 70 per cent compensation in a one-off payment.

About 30 per cent of the applicants have opted for 100 per cent compensation.

Under the new legislation, each travel agent must pay one per cent of tour costs to the TIC fund.

Mr Hui said that since the fund was set up the travel industry had been "doing all right".

On the other hand, the number of complaints against travel agents received by the Consumer Council over the Christmas period was 110, four times more than for the same period the previous year.

Of the complaints, 95 concerned the cancellation of tours before or after full payment.

The Consumer Council would be referring the cases to the TIC.