Examining the effectiveness of the Tourism Law of China 2016

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This paper focuses on low-fare package tours in order to explore the effectiveness of the Chinese Tourism Law from the perspective of tourists, tourism agencies and tour guides based on interview results, simply because an argument of whether the Tourism Law of the People’s Republic of China 2013/2016 (the Chinese Tourism Law 2013/2016) is effective or not, has never been stopped. Tourism agencies have pointed out that this law solely focuses on consumer welfare; tour guides have mentioned that they have never been protected by this law; while tourists have demonstrated that this law is an empty shell to them. According to Article 1 of the Chinese Tourism Law 2016, this Law aims to protect tourists, tourism agencies and tour guides at the same time, as these three parties are all market players who would make sure the tourism market runs well in both short-term and long-term. However, based on interview results received from tourists, tourism agencies and tour guides in China, market demand has given a reason for the existence of low-fare package tours. Although low-fare package tours had experienced supply reduction because of the implementation of the Chinese Tourism Law 2013, tourism agencies have found a new way to offer low-fare package tours, namely adding contract addendum to delimit the scope of their rights and obligations. According to the contract addendum, tourists, who choose low-fare package tours, should bear with forced shopping stops. Therefore, the effectiveness of the Chinese Tourism Law, which tries to stop low-fare package tours, has been reduced soon after the Tourism Law's implementation. Thus, it is necessary for authors to explore loopholes of the Chinese Tourism Law 2013/2016 and why this Law does not work well on stopping low-fare package tours.

Keywords: The Chinese Tourism Law; Low-fare package tours; Consumer welfare