

October 14th, 2004

Mr. Donald Tsang Chief Secretary for Administration Central Government Offices Lower Albert Road Hong Kong

Arrald,

I write to express our views on constitutional development, and in particular on the numbers of representatives in the Election Committee for electing the Chief Executive and the electoral numbers entitled to vote for the Tourism representative on the Legislative Council.

The size of the Election Committee and the number of voters in the Tourism Functional Constituency should be enlarged to make both bodies more representative.

As an aviation hub, airlines are one of the largest contributors to GDP, and therefore play an important role in Hong Kong's economy and employment market. Under the current election method, each company has only one vote in the Tourism Election Committee and Functional Constituency, regardless of its size. Hundreds of travel agents in Hong Kong are agents of a few dozen airlines. The airlines are the principals. However, a three-person travel agent has one vote: this is just the same as an airline that may employ a large number - perhaps thousands - of people. The current arrangement fails to reflect aviation's significance with respect to tourism.

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We suggest that the rules be amended so that a company can have up to 10 votes, depending upon the number of staff it employs. In 1995 each company had up to 6 votes. The airlines believe this would better balance the influence of the three sectors (airlines, hotels, travel agents) in Tourism and encourage more trade representatives to participate in Hong Kong's governance.

Alternatively, we welcome the idea to expand the number of Functional Constituent, and set up of a new Functional Constituent for Airlines/hotels, separate from travel agents.

I hope you can take these suggestions into account and work towards a more balanced representation for the election of the third term Chief Executive and the fourth term Legislative Council Member.

Yours sincerely,

(Signed)

Stanley Hui Chief Executive Officer