

The legal and regulatory framework



The present report contains information on the legal and regulatory framework of the British tourism sector as well as of surface, sea and air transport laws and analyses the benefits of those to passengers.

The report aims at providing sound advice to the travel agency entrepreneur on British legal and regulatory issues as well as on business ethics that may influence the particular business venture.

The objective of the report is to provide the entrepreneur with detailed information so as to help him with his decision making.

British Legal & Regulatory framework of the Travel & tourism sector

Although there is no legal and regulatory framework in British system, however, there is the ABTA code of conduct which contains issues related to tourism such as insurance notification, communication, booking etc.

Regarding booking, it contains all processes like what happens before booking, how to make the booking, what can happen between travel and booking etc (Theobald, 2005).

These processes should be carefully implemented in order to protect the rights of the consumer in British tourism. There are other associations that provide also guidelines regarding tourists' comfortable stay and legal issues.

These associations are:

Health and Safety Commission (HSC), Maritime Authorities, International Air Transport Association (IATA), Air Travel Operators Licensing (ATOL) and Civil Aviation Authority (CAA), Strategic Rail Authority (SRA), Health and Safety Executive (HSE).

<https://assignbuster.com/the-legal-and-regulatory-framework/>

British law is divided in environmental, shipping and air and space law. These are all different laws under the umbrella of British law in tourism. The regulatory power is assigned to special bodies such as the Travel association as well as other authorized bodies. The role of these bodies is to preserve a national stock of recreation facilities such as parks, gardens, sport facilities etc. These bodies are mainly local authorities (Archer et al., 2005).

Legal And Regulatory Framework

The carriers are responsible for any damages caused to the passengers according to Acts described below (WTO, 2005):

Carriage by Air and Road Act 1979. The carrier is everyone involved in carrying passengers either by air or road. The carrier is responsible if due to his/her carelessness the passenger dies or gets injured or any damages are caused to his/her belongings.

International Carriage by Sea (Athens Convention 1974).

It concerns sea travelling and in this Convention the carrier is also liable for any damages caused to passengers when sea travelling.

International Carriage by Road (Carriage by Air and Road Act 1979). It concerns the rights of the travellers even if they had paid for the journey or travel for free. This Act also involves any damages caused to passengers during their travel.

Further to travelling by road there is the Regulation (EC) No 1073/2009 for travel by road which concerns free provision of international road passengers. This regulation sets common accessibility rules to the

<https://assignbuster.com/the-legal-and-regulatory-framework/>

international market for coach and bus [Regulation 1073/2009]. However, it provides, in particular, the liberalization of the shuttle service (from city to city and back) with overnight accommodation via bus and coach, as well as almost all emergency services. It also sets the procedures for granting licenses for these shipments and documents needed for these services. It also specifies the conditions under which are accepted in transport, particularly in national road transport (cabotage) services within a Member State, carriers that are not located in it. In case of transfer from one Member State to a third country and vice versa, the regulation applies to the department within the territory of the Member State from which the route passes.

The Athens Conventions Act 1974 is applied and amended in the UK. It involves international carriers and/ or passengers whereas the Domestic Carriage Order 1987 is addressed to domestic passengers travelling by sea.

The Carriage by Railway Act 1972 concerns international carriages and involves passengers with registered luggage. When there is a damage to a passenger then the carrier is obliged to pay for the passenger's registered luggage.

Regulation (EC) No 1371/2007 concerns also rail travel. This regulation is designed to protect people with disabilities and reduced mobility from unfair and discriminating treatment and to provide assistance during the use of commercial air services. It obliges carriers and / the travel / s agents who represent them not deny booking and boarding to disabled, to provide information in formats appropriate for their physical injuries, to provide

points of departure and arrival into the airport, take and distribute among them the notification that they have to serve people with disabilities, as well as to provide them with assistance in the airport and in flight. At the same time, it binds the parties involved to have fully trained staff to the treatment of people with disabilities, and requires compensation for loss of or damage to motor equipment.

Finally, it sets the limits for complaints and sanctions.

Although there is no doubt that this regulation improves conditions of air transport for people with disabilities, it does not address accessibility obligation outside airports and aircraft business services concerned.

Thus, there is no obligation on the electronic benefits of airlines and travel companies, which is not justified by the needs of reasonable accommodation. It should be borne in mind that airlines provide a wide range of services outside the traditional areas in which they are active (airports – aircraft) and participate in corporate networks after having completed these activities

Regarding carriage by air the Warsaw Convention 1929 is applied. The Warsaw convention is created by the global community of air transport and the purpose was to provide global standards for carrying passengers world wide, especially common rules on liability for passengers and goods in case of accident, loss of baggage and delay in international air transport, while it reduces the cost to the airlines. Among others, a very important layout was included that the airline is considered liable (Article 17) but that liability is generally limited (Article 22) up to 10, 000 U. S. dollars maximum.

<https://assignbuster.com/the-legal-and-regulatory-framework/>

However, the passenger and the carrier may, by special contract agree to a higher limit of liability (Article 22, paragraph 1). The carrier has the opportunity to rebut any action based on the contract if s/he proves that s/he took all necessary measures to avoid damage, and in this case s/he is not liable (Article 20, paragraph 1).

Moreover, the carrier is able to limit his liability if s/he proves that s/he contributed to the accident and the negligence of the injured individual (Article 21). Finally, Article 25 prohibits a carrier from benefitting of any clause that limits or excludes liability if s/he or his/her agents commit a willful misconduct.

Finally, it should be mentioned the EU Directive on Package Travel for visitors to Europe or from Europe. The European law facilitates traveling for leisure or on business within the European Union and the common currency facilitates travelers in eurozone countries. Travellers can make unlimited purchases in the country visited and bring the goods to their country duty free. Citizens of the Member States are entitled to unlimited exchange for intra-European trips, whereas before the liberalization of capital movements they were entitled only limited tourist exchange. For their package holidays, they are protected by European legislation for the mismanagement or misuse of their holiday by tour operators [Directive 90/314] For their air trips, they are also protected against overbooking charged by airlines [Regulation 261/2004]. Travelers can call the 112 number free European emergency call across the European Union [Decision 91/396 and Directive 2002/22]. In case of illness or accident happening to them only by presenting the European Health Insurance Card, which attests their participation to a similar system in <https://assignbuster.com/the-legal-and-regulatory-framework/>

their country of residence [Decisions 2003/751, 2003/752 and 2003/753]. In the ports and airports of the Member States, special channels exist for citizens of EE, who have a uniform passport [Resolutions 23/06/1981, 14/07/1986 and 10/07/1995]. Showing passports is not needed when crossing internal borders of the Schengen area [Decision 2000/586]. The conditions of travel within the EU have become much easier for pet owners [Regulation 998/2003].

Ethical dilemmas

The travel agency may have to face unethical competition i. e. extremely low prices. The company can overcome these issues by creating a code of ethics that will enable it to act in harmony with host countries and achieve competitive advantage (Holden, 2003).

The country will provide, prior to travelling, all information regarding the country that they will visit as well as to any information regarding safety and health risks. Furthermore, the company will encourage them to respect the local environment and avoid any actions that will be against the law. Safeguarding the natural environment of the countries will be top in the code of ethics of the company.

The company should also try to distribute holidays in such a way so as tourist flow would be smoothed and the environment will not be further burdened. Furthermore, tourist activities planned by the company will respect the ecosystem. The company will, in cooperation with local authorities, take care of health protection and security of its clients.

In addition, the company will respect the spiritual needs of its clients and allow them to practice their religions.

Corporate Social Responsibility – Key Travel

There will be presented the CSR program of Key Travel. Key travel is based in London and Manchester and employs over 100 employees. It is UK's 47th biggest travel agency. It focuses on business travel for the not-for-profit sector. More specifically, Key Travel provides services to charitable organizations no matter what their purpose is i. e. medical relief, educational projects etc (Key Travel, 2012).

Its CSR consists of three axes: People, Planet and Profits. Regarding People, Key Travel believes strongly in its people and promotes diversity in workplace by employing people of different ethnic origins as well as women. Key Travel was a pioneer since it implemented in the 1980s what is in fashion nowadays i. e. flexible working hours and home-working. It also provides gym tickets and weekend travel breaks for its employees. In addition, it offers its employees fresh fruit in the office!

Finally, Key Travel offers to charities money and items that are not needed (Key Travel, 2012).

Regarding travelling, Key Travel respects local people of the countries visited and demands its customers to ask for permission before they take any picture of local people, their homes as well as of religious sites such as temples, churches etc. It also encourages litter free travel, respect of animals by not supporting festivals where animals are used for performance.

Key Travel warns its customers not to buy goods coming from endangered species such as sea turtle, ivory etc. Key Travel believes that its CSR program has benefited the company a lot since it has managed to attract new customers, reduce costs and improve efficiency and motivation.

It is suggested that the new business venture should take Key Travel as a case study for its CSR program. More specifically, the new business should also base its program on the three axes People, Planet and Profits and implement the appropriate actions that will reinforce the values attributed to each one of the axes.

Conclusion

The travel agencies are divided into different categories based on the type and nature of activities and services they offer having as their primary responsibility the service of all travelers, providing tourist services with quality (Hudson & Miller, 2005).

Travel Agencies are one of the major players of the tourism industry, because the travel agency is the means for promoting the trip, given the fact that if it uses the appropriate means, it will guide, lead and assist the traveler to choose the destination of his/her travel depending on his/her needs and possibilities (Ingbar, 2004). The travel agency acts on behalf of its clients and partners-suppliers, who organize the trip before the visitor arrives. Therefore, a new Travel Agency should know the legal framework concerning tourism since it provides tourism services and it has to follow the law. However, following the law is not sufficient for being efficient nowadays.

The Agency has to be an ethical business and implement specific CSR programs to achieve maximum efficiency and enhance its brand.