

SUBSIDIZED TOURS IN THAILAND TO BE BANNED



In a bid to improve the quality of tourists' experience as well as the country's image and revenues, Thai government plans to ban any prepaid zero-dollar travel packages, or cheap subsidized tours.

The government spokesman, Maj Gen Sansern Kaewkamnerd, said that the government was serious about taking steps to find a solution to the subsidized as they had received many complaints from the participants.

According to him, **the government will specify the tour package prices that are reasonable.** The countries to be notified would include South Korea, China and Russia, among others, as a number of tour groups originate from these nations. The tourists should compare their prices with those specified by the Thai government and refrain from departing for Thailand if their package prices are lower. Such tours will be banned.

Often, the providers of the subsidized tours put pressure on their clients and make them buy expensive products as well as services so that they can make some profit. Such companies partnered with as many as 300 operators in Thailand. However, most of the operators are actually proxy set-ups. As a result, the country does not benefit from the profits brought in by the tours.

The turnover of the zero-dollar tour operation segment is approximately 350 million baht (EUR 8.8 million). This has created a great deal of problems for the country, including proliferation of illegal tour guides, monopoly in the vehicle rental services sector, and improper tourist behavior. In fact, the subsidized tours have tarnished Thailand's image viewed now as a cheap travel destination. The government now wants quality visitors to come to the country.

According to the government spokesman the strict measure may contribute to a drop in tourist arrivals initially, but the government's focus is on quality and not quantity. He also pointed out that the problem has to be resolved by this government as it could become difficult later on since most of the big Thai operators that benefit from zero-dollar tours have close ties with political groups.

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