



PARLIAMENT OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA

TOURISM ACT, No. 38 OF 2005

[Certified on 30th November, 2005]

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AN ACT TO PROVIDE FOR THE ESTABLISHMENT OF THE SRI LANKA TOURISM DEVELOPMENT AUTHORITY; TO VEST THE SAID AUTHORITY WITH SUCH POWERS AS ARE NECESSARY FOR FACILITATING THE PLANNING AND IMPLEMENTATION OF THE POLICY RELATING TO THE TOURISM INDUSTRY AND OTHER RELATED INDUSTRIES; TO PROVIDE FOR THE REGULATION AND MONITORING OF THE INDUSTRY; TO REPEAL THE CEYLON TOURIST BOARD ACT, NO. 10 OF 1966 AND TO REPEAL CERTAIN PROVISIONS OF THE TOURIST DEVELOPMENT ACT, NO. 14 OF 1968; AND TO PROVIDE FOR MATTERS CONNECTED THEREWITH OR INCIDENTAL THERETO.

BE it enacted by the Parliament of the Democratic Socialist Republic of Sri Lanka as follows :—

1. This Act may be cited as the Tourism Act, No. 38 of 2005 and shall come into operation on such date as the Minister may appoint by Order published in the *Gazette* (hereinafter referred to as “the appointed date”).

Short title and
date of operation.

PART I

CHAPTER I

SRI LANKA TOURISM DEVELOPMENT AUTHORITY

2. (1) There shall be established for the purposes of this Act, an Authority called the Sri Lanka Tourism Development Authority (hereinafter referred to as “the Authority”).

Establishment of
the Sri Lanka
Tourism
Development
Authority.

(2) The Authority shall by the name assigned to it by subsection (1) be a body corporate with perpetual succession and a common seal and may sue and be sued in such name.

(3) The seal of the Authority shall be kept in the custody of the Authority and may be altered in such manner as may be determined by the Authority.

(4) The seal of the Authority shall be affixed to all instruments signed by or on behalf of the Authority, in the presence of the Chairman and two members of the Authority who shall sign such document in token thereof.

Objectives of the Authority.

3. The objectives of the Authority shall be—

- (a) to develop Sri Lanka as a tourist and travel destination both in Sri Lanka and abroad;
- (b) to advise the Minister in charge of the subject of Tourism on matters relating to travel and the tourism industry, within the policy formulated by the Cabinet of Ministers, in relation to this sector;
- (c) to provide guidance to the Sri Lanka Tourism Promotion Bureau to develop, promote and market Sri Lanka as a tourist and travel destination both in Sri Lanka and abroad;
- (d) to provide guidance to the Sri Lanka Institute of Tourism and Hotel Management to undertake human resource training and development activities;
- (e) to work towards the enhancement of the tourism and travel sectors in order to secure a contribution for the expansion and development of Sri Lanka's economy;
- (f) to develop and promote adequate, attractive and efficient tourist services, inclusive of the hospitality industry in a sustainable manner;
- (g) to license and accredit tourist enterprises in order to develop, enforce and maintain locally and internationally accepted standards in relation to the tourism industry and other related industries;
- (h) to encourage persons or bodies of persons in the private sector to participate in the promotion of the tourism industry and the promotional and training activities connected with such industry;

- (i) to do all such other acts as may be necessary or conducive to the attainment of all or any of the above objectives.

4. The Authority shall consist of the following persons appointed by the Minister:— Composition of the Authority.

- (a) the Chairman of the Authority;
- (b) the Director-General of the Authority appointed under section 10, (hereinafter referred to as “the Director-General”);
- (c) the Secretary to the Ministry of the Minister in charge of the subject to Tourism or his representative;
- (d) the Secretary to the Treasury or his representative;
- (e) one member nominated by the Tourist Hotels Association of Sri Lanka;
- (f) one member nominated by the Sri Lanka Association of Inbound Tour Operators;
- (g) one member nominated by the Travel Agents Association of Sri Lanka;
- (h) one member appointed by the Minister from among persons possessing experience and knowledge in the fields of travel and tourism; and
- (i) the Secretary to the Ministry of the Minister in charge of the subject of Provincial Councils or his representative.

5. (1) A person shall be disqualified from being appointed or from continuing, as a member of the Authority, if he is, or becomes,— Disqualification from membership of the Authority &c.,

- (a) the owner, partner, director, majority shareholder or an employee of, or in, any business which operates or provides tourist services of any class or description.

- (b) a member of Parliament or a member of a Provincial Council or of a local authority;
- (c) convicted of an offence involving moral turpitude;
- (d) of unsound mind or physically incapacitated ;
- (e) an undischarged bankrupt or an insolvent; or
- (f) absent without prior notice from three consecutive meetings of the Authority:

Provided however that the provisions of paragraph (a) shall not apply in respect of a member appointed in terms of paragraphs (e), (f), (g) and (h) of section 4.

(2) Every appointed member of the Authority shall unless he earlier vacates office by death or resignation, hold office for a period of three years from the date of his appointment to such office and shall be eligible for re-appointment.

(3) A member of the Authority may resign from office, at any time by letter addressed in that behalf to the Minister.

(4) A member of the Authority, who is in any way, directly or indirectly interested in any contract entered into, or proposed to be entered into by the Authority, shall disclose the nature of his interest at any meeting of the Authority and such disclosure shall be recorded in the minutes of the Authority. Such member shall not participate in any deliberation or decision of the Authority in respect of any matter connected with such interest.

(5) No act or proceeding of the Authority shall be deemed to be invalid only by reason of the existence of a vacancy in its membership or any defect in the appointment of a member thereof.

(6) The Minister may, if it is expedient to do so, remove from office any member of the Authority other than the Director-General, for reasons assigned.

(7) The Chairman, Director-General or an appointed member may resign from his office, by letter addressed to the Minister. Such resignation shall be effective from the date of its acceptance by the Minister.

(8) In the event of the death, resignation or removal of the Chairman or any appointed member, the Minister may appoint another person to succeed such Chairman or member as the case may be. The person so appointed shall hold office for the unexpired portion of the term of office of the member whom he succeeds.

(9) Where the Chairman or any appointed member is temporarily unable to perform the duties, of his office on account of ill-health, absence from Sri Lanka or for any other cause, the Minister may appoint any person to act in the place of the Chairman or such member.

6. (1) The Authority shall formulate and present to the Minister —

Preparation and approval of the long term goals and the four-year plan.

- (a) the proposed long term goals for tourist development in Sri Lanka;
- (b) the proposed four year plan for the development of tourism within Sri Lanka.

(2) The Minister shall on receipt of the long term goals and the four year plan under subsection (1), submit the same to the Cabinet of Ministers for approval. The Cabinet of Ministers may approve the long term goals and the four year plan with or without amendments :

Provided that the aforesaid four year plan shall be revised annually in order to include changes in policy or include other new long term goals. Every such revision shall be submitted to the Cabinet of Ministers for approval.

Meetings of the
Authority &c..

7. (1) The Chairman of the Authority shall preside at all meetings of the Authority. In the absence of the Chairman from any such meeting any member elected by the members present shall preside at such meeting.

(2) The Chairman or the person presiding at any meeting, shall in addition to his vote, have a casting vote.

(3) The quorum for any meeting of the Authority shall be five members, unless otherwise agreed upon by the Authority.

(4) The Authority may make rules for the regulation of the procedure to be followed at the meetings of the Authority and for the transaction of business at such meetings.

Head office of the
Authority.

8. The principal office of the Authority shall be situated in Colombo, in Sri Lanka. The Authority may however establish and maintain branch offices within or outside Sri Lanka.

Delegation of
powers of the
Authority.

9. (1) The Authority may delegate all or any of the powers, duties or functions conferred on it or assigned to it, by this Act or any other written law, to the Chairman. Notwithstanding such delegation, the Authority may continue to exercise, perform and discharge any power, duty or function, so delegated.

(2) In the exercise, performance and discharge of the powers, duties and functions conferred on or assigned to him in terms of subsection (1), the Chairman shall be subject to the general or special directions of the Authority.

The Director-
General to be the
Chief Executive
Officer.

10. (1) There shall be appointed by the Minister on the advice of the Authority a person to be the Director-General, who shall be the Chief Executive Officer of the Authority. The criteria applicable and the procedure to be followed in the appointment of the Director-General shall be as prescribed.

(2) The Minister may, on a request made in writing by the Authority for reasons stated, and after such inquiry as is necessary, remove the Director-General from office for reasons assigned. The Director-General shall thereupon be deemed to have vacated office.

(3) The Authority may on a proposal of the Chairman delegate to the Director-General such power or function as is deemed necessary. The Director-General shall act in accordance with rules of the Authority as may be made in that behalf.

(4) The Director-General shall hold office for a period of five years from the date of his appointment as Director-General.

11. (1) The Chairman shall be responsible for ensuring Powers &c., of the
co-ordination of the activities within the Tourism Chairman.
Development Areas declared under section 26.

(2) The Chairman shall preside at all meetings of the Authority and in his absence any member elected by the members present shall preside at such meeting.

12. The Authority may exercise, perform and discharge Powers and
all or any of the following powers, duties and functions :— functions of the
Authority.

- (a) to act with the concurrence of the Minister, as an agent of the government for the transaction of business connected with the tourism or travel industry;
- (b) to engage in, assist in or promote the improvement of facilities being provided for tourists to Sri Lanka and to develop Sri Lanka as a tourist destination;
- (c) to establish, maintain and operate services connected with the tourism industry and to co-ordinate the activities of the persons providing such services for tourists;

- (d) to prescribe, regulate, maintain and enforce the standards to be maintained by the different enterprises of the tourism and travel industry;
- (e) to license the different enterprises, on criteria to be determined by the Authority and to prescribe the terms and conditions applicable to the same;
- (f) to acquire, hold, take on lease, hire, pledge or otherwise dispose of any movable or immovable property: provided however, immovable property may be disposed of only with the prior written consent of the Minister;
- (g) to engage consultants both local and foreign, whenever the need to do so arises for the efficient discharge of its functions;
- (h) to liaise with the Provincial authorities whenever the need to do so arises on any matter relating to the tourism industry;
- (i) to promote and assist in the development of support industries and services;
- (j) to establish companies or other bodies in order to facilitate the achievement of the objectives of the Act;
- (k) to make rules in respect of matters specified in the Act;
- (l) to carry on the business of providing transport facilities to persons visiting tourist attractions in Sri Lanka;
- (m) with the approval of the Cabinet of Ministers—
 - (i) to formulate and prepare a four year plan, and other relevant plans and programmes for the development of tourism within and outside Sri Lanka in keeping with its objectives;

- (ii) to invest the money of the Authority in any business within or outside Sri Lanka, which will promote or be conducive to the promotion of, the tourism industry in Sri Lanka;
 - (iii) to enter into any joint venture with any person or form a company, whether in Sri Lanka or outside, in order to discharge all or any of the functions of the Authority;
- (n) with the approval of the Minister—
 - (i) to manage, control or supervise tourism enterprises, within or outside Sri Lanka, by appointing Directors or advisors, or by entering into collaboration with other persons;
 - (ii) to borrow money, whether by way of overdraft, loan or otherwise for the purposes of the Authority;
 - (iii) to provide financial assistance by way of grant, loan or otherwise, subject to such terms and conditions as may be determined by the Authority, to persons intending to engage in tourist or travel services;
- (o) to levy fees or other charges for services, facilities or equipment provided by the Authority;
- (p) to exercise, perform and discharge all such powers, duties and functions as are by or under this Act vested in or assigned or delegated to the Authority; and
- (q) to do all such other acts and things as may be necessary or conducive to the exercise, performance and discharge of its powers, duties and functions under this Act.

Special duties of the Authority.

13. It shall be the duty of the Authority—

- (a) to advise the Minister on all matters relating to the tourism and travel industry on a request of the Minister or on its own motion;
- (b) to advise the tourism and travel industry and other related enterprises with regard to the developments in the field;
- (c) to prepare and submit to the Minister schemes in respect of the establishment, regulation and supervision, development and control of tourist resorts and tourist services and the persons employed in or about the same; and
- (d) to formulate proposals in respect of the above for the guidance of the Minister.

Remuneration and terms and conditions of service of members.

14. The members of the Authority shall be remunerated at such rates and in such manner and be subject to such terms and conditions of service, as may from time to time, be determined by the Minister in consultation with the Minister incharge of the subject of Finance.

Staff of the Authority.

15. (1) There may be appointed to the staff of the Authority such officers and servants as the Authority may deem necessary for the efficient discharge of the powers, function and duties assigned to or conferred on, the Authority under the Act.

(2) The Authority may, subject to the general directions of the Minister as to policy—

- (a) appoint, dismiss and exercise disciplinary control over the staff of the Authority;
- (b) determine the salary, wages or other remuneration of such staff; and
- (c) determine the terms and conditions of service of such staff.

(3) (a) At the request of the Authority any officer in the public service may, with the consent of that officer and the Minister in charge of the subject of Public Administration, be temporarily appointed to the staff of the Authority for such period as may be determined by the Authority with like consent or with like consent be permanently appointed to such staff.

(b) Where any officer in the public service is temporarily appointed to the staff of the Authority, the provisions of subsection (2) of section 14 of the National Transport Commission Act, No. 37 of 1991 shall *mutatis mutandis*, apply to and in relation to him.

(c) Where any officer in the public service is permanently appointed to the staff of the Authority, the provisions of subsection (3) of section 14 of the National Transport Commission Act, No. 37 of 1991, *mutatis mutandis*, apply to and in relation to him.

(d) Where the Authority employs any person who has entered into a contract with the Government by which he has agreed to serve the Government for a specified period, any period of service to the Authority by that person shall be regarded as service to the Government for the purpose of discharging the obligations under such contract.

16. (1) The Authority may establish and maintain such departments as it may consider necessary for the proper and efficient conduct of the affairs of the Authority. Departments and Committees of the Authority.

(2) The Authority shall determine the duties and functions to be assigned to each of the departments established under subsection (1).

(3) The Authority may with the concurrence of the Minister appoint such number of Committees comprising of its members or any other persons possessing appropriate expertise to assist the Authority in the discharge of its functions. Such Committees shall at all times be headed by a member of the Authority.

(4) The Authority may make rules setting out the functions of such Committees.

Power of Authority to make rules.

17. (1) The Authority may make rules relating to the exercise, performance and discharge of the powers, duties and functions vested in, or assigned to, the Authority, in respect of any matter for which rules are authorized to be made.

(2) Every rule made under subsection (1) shall come into operation upon being approved by the Minister. Every such rule shall be published in the *Gazette*.

Authority to comply with directions issued by the Minister.

18. (1) The Minister may, in consultation with the Authority, issue general policy directions to the Authority, not inconsistent with the provisions of the Act, in relation to the exercise, performance and discharge by the Authority of its powers, duties and functions.

(2) The Authority shall give effect to any such directions issued by the Minister.

(3) The Authority shall also furnish to the Minister such information as the Minister may from time to time require in relation to the activities and property of the Authority.

CHAPTER II

FINANCE AND ACCOUNTS

Fund of the Authority.

19. (1) There shall be a Fund established for the general financial purposes of the Authority. There shall be paid into the Fund :—

- (a) all such money as may be voted by Parliament for the management and administration of the affairs of the Authority ;
- (b) all rates, duties, fees and charges levied by the Authority under the regulations or rules made or deemed to be made under the provisions of this Act

or in the exercise of any powers conferred on the Authority by or under this Act ;

- (c) all revenue derived by the Authority from any property vested in or administered by the Authority ;
- (d) all revenue derived by the Authority from services provided by the Authority ;
- (e) all money received by way of charges for services provided by the Authority or on behalf of the Authority by an authorized agent, and for any certificate, license or approval granted by it for the purposes stated in the Act ; and
- (f) all other sums otherwise accruing to the credit of the Authority.

(2) The Authority shall make rules, with the concurrence of the Minister, for the withdrawal of any moneys from the Fund and no sum shall be withdrawn from the Fund except in accordance with such rules.

20. (1) The Authority shall cause proper accounts to be kept of its assets and liabilities, income and expenditure and all other transactions of the Authority. Audit of accounts.

(2) The provisions of Article 154 of the Constitution shall apply to the audit of the accounts of the Authority.

(3) (a) The Authority shall on receipt of the Auditor-General's report in respect of any year, cause the report of the Director-General on the administration of the affairs of the Authority which shall contain a detailed report of the steps taken for the furtherance of the objectives of the Act, to be transmitted to the Minister along with the following documents :—

- (i) the Auditor-Generals' report for the relevant year;

- (ii) the Balance Sheet for the relevant year ; and
- (iii) the Profit and Loss Account for the relevant year.

(b) The Minister shall cause copies of the report and documents transmitted to him under paragraph (a) to be laid before Parliament.

(4) The financial year of the Authority shall be the calender year.

(5) The Authority shall have the power, where the Auditor General considers it to be necessary, to engage the services of qualified auditors to assist in the preparation of the reports and accounts required by this section, who shall act under the direction and control of the Auditor-General.

For the purposes of this section “qualified auditor” shall have the same meaning as in paragraph (8) of Article 154 of the Constitution.

Members, officers and servants of the Authority deemed to be public servants.

21. Every member, officer or servant of the Authority shall be deemed to be a public servant within the meaning, and for the purposes, of the Penal Code (Chapter 19).

Authority deemed to be a Scheduled Institution within the meaning of the Bribery Act. (Chapter 26)

22. The Authority shall be deemed to be a Scheduled Institution within the meaning of the Bribery Act (Chapter 26) and the provisions of that Act shall be construed accordingly.

CHAPTER III

TOURISM DEVELOPMENT FUND

23. (1) There shall be established for the purposes of this Act a Fund to be called the Tourism Development Fund (hereinafter referred to as “the Fund”) which shall be utilized for the development and promotion of tourism in accordance with the provisions hereinafter set out and any regulations which may be made in that behalf. The Fund shall be managed and administered by the Authority.

Establishment of the Tourism Development Fund.

(2) There shall be paid into the Fund established by subsection (1) —

- (a) one-third of the sum collected by way of Embarkation Levy in terms of section 2 of the Finance Act, No. 25 of 2003 ; and
- (b) all such sums of money as are required to be paid into such fund by or under this Act.

(3) There shall be paid out of the Fund—

- (a) all sums of money required to defray any expenditure incurred by any organization or any person in the promotion or development of tourism, in accordance with regulations which may be made in that behalf ; and
- (b) all sums of money as are required to be paid out of such Fund.

(4) The accounts of the Fund shall be audited in accordance with paragraph (8) of Article 154 of the Constitution.

(5) The report of the Auditor-General on the accounts of the Fund shall be placed before Parliament by the Minister.

Levy of the
Tourism
Development
Levy.

24. (1) There shall be charged, levied and collected by the Director-General, in terms of section 12 of the Finance Act, No. 25 of 2003, a Tourism Development Levy, on the turnover of every institution, licensed under the Tourist Development Act, No. 14 of 1968

(2) The provisions of Part II of the Finance Act, No. 25 of 2003 shall apply in relation to the imposition of the levy, the method of payment of the levy and the manner of furnishing returns relating to the collection of such levy to the Deputy Secretary to the Treasury.

(3) Rules may be made by the Authority for the management and administration of the levy.

(4) The levy charged and levied in terms of the aforesaid provisions shall be entered into a register by the providers of the respective services and shall be properly accounted for and separate accounts maintained by the provider of such services, of the monies paid as levy.

(5) A monthly statement, containing in the prescribed manner all the details of the amounts collected as levy shall be forwarded to the Authority by each service provider on or before the fifteenth day of the succeeding month.

(6) All monies collected on account of the levy charged by the Authority shall be paid to the Authority within fifteen days of the submission of the monthly statement as provided for in subsection (5).

(7) Every person who contravenes or fails to comply with the provisions of subsection (5) and (6) of this section shall be guilty of an offence under this Act.

(8) The moneys collected by way of the levy by the Director-General, shall be paid into the Tourist Development Fund established under subsection (1) of section 23 and all

monies lying to the credit of the Fund shall be disbursed in the following manner :—

- (a) a sum amounting to seventy *percentum* (70%) to be paid to the Sri Lanka Tourism Promotion Bureau established under section 40 ;
- (b) a sum amounting to twelve *percentum* (12%) to be paid to the Sri Lanka Institute of Tourism and Hotel Management established under section 33 ;
- (c) a sum amounting to fourteen *percentum* (14%) to be paid to the Authority ; and
- (d) a sum amounting to four *percentum* (4%) to be paid to the Sri Lanka Convention Bureau established under section 42.

(9) The moneys collected by way of the levy and disbursed in the manner set out in subsection (8) shall be used solely for the purposes of making payments in connection with the promotion and marketing of Sri Lanka as a tourist and travel destination.

PART II

CHAPTER IV

TOURIST DEVELOPMENT AREAS

25. The Authority shall have jurisdiction in and over any Tourist Development Area declared in terms of section 26. Authority to have jurisdiction over a declared area.

26. (1) The Minister may on the recommendation of the Authority from time to time, declare by Order published in the *Gazette*, any area to be a Tourist Development Area (hereinafter referred to as “an Area”). Declaration of Tourist Development Areas.

(2) The Authority may prior to making any recommendation under subsection (1), conduct such public hearing after due notice to the inhabitants of that area or any other stakeholders, in such manner as shall be prescribed.

(3) Regulations may be made prescribing the tourist services and commercial and other activities which may be carried out within an Area declared in terms of subsection (1). Such regulations may also include lists of facilities and places of historical or environmental interest which amount to tourist attractions, within such Area.

Orders relating to
Tourist
Development
Areas.

27. (1) Every Order published in terms of section 26 shall specify the boundaries of the area or areas so declared. An Area may include any National Holiday Resort or any other area administered by the Authority under any written law.

(2) Every Order in terms of section 26 shall be valid for a period of ten years.

(3) Upon the declaration of any area in terms of section 26, the Authority may exercise, perform and discharge in relation to any such Area declared in terms of section 26 the powers, duties or functions conferred or imposed on or assigned to, any person, body or authority by any relevant written law, in so far as the same is necessary, in consultation with the relevant authorities specified in the aforesaid written laws and to the extent agreed.

(4) The Authority may by regulation specify—

- (a) the conditions applicable to access to any area which falls within an Area declared in terms of section 26. Such regulations shall not however apply in respect of public roads, public monuments, places of worship, public parks, public offices, schools, dispensaries and other public places and facilities provided by either the government, a Provincial Council or a local authority, which were in existence at the time of the promulgation of such regulation ;

- (b) the categories of commercial activities which in the opinion of the Minister would affect the Tourism industry and which may therefore require prohibition within any such Area or Resort, taking into consideration the necessity for providing security and safety to the persons entering such areas and for taking measures for the prevention or mitigation of health hazards within such areas ; and
- (c) the facilities and sites available within an Area for use by tourists, including sites of interest and places of recreation.

28. (1) Any person who within an Area declared in terms of section 26, prevents or acts in such a manner as to prevent any other person from enjoying the facilities available within such Area or does any act which interferes with the privacy of any other person, or contravenes any regulation made under paragraphs (a) and (b) of subsection (3) of section 27 shall be guilty of an offence and shall on conviction after trial be liable to a fine not less than rupees twenty five thousand and not exceeding one hundred thousand.

Protection of privacy within any area declared under section 26.

(2) For the purposes of this Part “privacy” shall include the right of any person to be left alone in his enjoyment of the environment, and the facilities and services available within any area declared as a Tourist Development Area in terms of section 26, without any intrusion into his private life, which intrusion could be considered offensive to a reasonable person.

29. (1) Upon the declaration of an Area in terms of section 26, the Authority shall for a period of ten years, be vested with all the powers necessary for the environmental planning and preservation of archaeology under the National Environmental Act, No. 47 of 1980 and the Antiquities Ordinance (Chapter 188), to such extent on the same is necessary for the implementation of the development plan within the declared area.

Authority to be vested with powers under the National Environmental Act and the Antiquities Ordinance.

(2) The Central Environmental Authority shall, in respect of any matter where the Authority is vested with the power in terms of subsection (1), be required to submit its recommendation to the Authority within the prescribed period.

(3) (a) Upon the declaration of any Area in terms of section 26, it shall be lawful for the Minister, notwithstanding anything to the contrary in the National Environmental Act, No. 47 of 1980 to make regulations in consultation with the Minister in charge of the subject of Environment to prescribe the criteria to be followed in respect of environmental planning within such area. The procedure to be followed by the Central Environmental Authority in this respect and the time within which such recommendations have to be made shall be as prescribed.

(b) Where the Authority is not in agreement with a recommendation of the Central Environmental Authority, it shall refer to matter to the Minister in charge of the subject of Environment, whose decision thereon shall be final. A member of the respective Committee shall be required to be present at all times when any such matter is being considered.

(c) The Minister, with the concurrence of the Minister in charge of the subject of Environment, shall make such regulations as may be necessary prescribing the procedure to be followed in the making of recommendations and the time within which any such recommendation should be made.

(d) The Minister in charge of the subject of Environment shall make regulations prescribing the criteria to be followed in environmental planning within an Area as is declared under section 26.

(4) (a) Upon the declaration of any area in terms of section 26, it shall be lawful for the Authority to exercise powers in respect of making available facilities to visitors at the sites of

such antiquities, in terms of the Antiquities Ordinance (Chapter 188) within such area. In the exercise of these powers the Authority shall obtain the consent of the Commissioner of Archaeology. The procedure to be followed in obtaining such consent shall be as prescribed.

(b) The Minister shall, with the concurrence of the Minister in charge of the subject of Antiquities, make such regulations as may be necessary prescribing the procedure to be followed in the preservation of antiquities within any such Area as is declared under section 26.

(5) Regulations may be made specifying the extent to which and the manner in which and the persons by whom the provisions of any other written law shall be applied in relation thereto. Any such regulation shall be made in consultation with the Minister in charge of the relevant subject.

(6) In this section “Central Environmental Authority” means the Central Environmental Authority established under the National Environmental Act, No. 47 of 1980.

30. Trekking areas and nature trails shall be declared and identified for such use. within any Area declared in terms of section 26. Fees as prescribed by regulation shall be charged from persons using the trekking areas or nature trails. The manner in which such areas should be used shall also be prescribed. The Minister shall make regulations in concurrence with the Minister in charge of the relevant subject.

Declaration of trekking areas and nature trails.

31. (1) The Authority shall, *mutatis mutandis*, exercise all powers under the Tourist Development Act, No. 14 of 1968 in respect of any Area declared under section 26 .

Authority to exercise powers &c.,.

PART III

CHAPTER V

TOURISM ADVISORY COMMITTEE

Establishment of
the Tourism
Advisory
Committee.

32. (1) There shall be established a body to be called the Tourism Advisory Committee (hereinafter referred to as the “Advisory Committee”) for the purpose of advising the Minister and the Authority on any matters in relation to the travel and tourism industry.

(2) The Advisory Committee shall consist of—

(a) the following *ex-officio* members :—

- (i) the Chairman of the Authority ;
- (ii) the Chairman of the Sri Lanka Institute of Tourism and Hotel Management established in terms of section 33;
- (iii) the Chairman of the Sri Lanka Tourism Promotion Bureau established in terms of section 41 ;
- (iv) the Chief executive Officer of the national carrier of Sri Lanka ; and

(b) not less than five and not more than eleven persons who possess wide experience and qualifications in relation to global travel, tourism and related industries, who shall be appointed by the Minister.

(3) One of such persons shall be appointed as the Chairman of the Advisory Committee.

(4) the Minister may for reasons assigned remove any member of the Advisory Committee.

(5) It shall be the duty of the Advisory Committee to tender advise on the future direction and strategy of the tourist and travel industry and make its recommendations thereon.

(6) The Minister may give special or general directions in writing as to the performance of the duties and the exercise of the powers of the Advisory Committee, and the Advisory Committee shall give effect to such directions.

(7) The Authority may forward any matter to the Advisory Committee for its advise and the Advisory Committee shall forward its advise within the shortest possible period.

(8) The term of office of the members of the Advisory Committee shall be three years: Provided that a member appointed in place of a member who resigns or otherwise vacates office, shall hold office for the unexpired part of the term of office of the member whom he succeeds.

(9) Any member who vacates office by effluxion of time shall be eligible for re-appointment.

(10) (a) Any member of the Advisory Committee may resign from office by letter addressed to the Minister.

(b) Where a member is temporarily unable to discharge the duties of his office on account of ill health, absence from Sri Lanka or any other cause, the Minister may appoint some other person to act as a member in his place for the period of his absence.

(11) The Advisory Committee may with the approval of the Minister, appoint such officers or servants to assist the Advisory Committee in carrying out its duties under this Part.

(12) Where necessary, the members of the Advisory Committee and other officers and servants may be paid such remuneration out of the fund as may be determined by the Authority.

CHAPTER VI

SRI LANKA INSTITUTE OF TOURISM AND HOTEL MANAGEMENT

Establishment of the Sri Lanka Institute of Tourism and Hotel Management.

33. There shall be established a body called and known as the Sri Lanka Institute of Tourism and Hotel Management, (hereinafter referred to as the “Institute”) which shall be a body corporate with perpetual succession and a common seal and which may sue and be sued in such name.

Objectives of the Institute.

34. The objectives of the Institute shall be :—

- (a) the identification of areas connected to the tourism industry where training of personnel is needed and obtaining the services of the best academic and professional trainers is essential;
- (b) the development of curricula in identified areas of study,
- (c) to provide tertiary education and vocational training in subjects related to tourism, to such extent as the same is required for the development of tourism;
- (d) to co-operate with persons or bodies training persons both local or foreign to engage in work wholly or partly connected with tourism;
- (e) to award certificates of participation to each individual indicating the nature of the qualification obtained from the Institute;
- (f) to own, manage and participate in the ownership and management of schools and training centres wholly or partly connected with tourism; and
- (g) to exercise, perform and discharge the powers, duties and functions conferred or imposed on the Institute by or under this Act or any other law in force for the time being for the purpose of the attainment of its objectives.

35. (1) There shall be a Board of Management (hereinafter referred to as the “Board”) of the Institute, appointed by the Minister who shall be charged with the management and administration of the Institute.

Board of
Management
of the
Institute.

(2) The Board shall comprise—

- (a) the person appointed as Chairman of the Board of Governors of the Institute;
- (b) the Director-General of the Institute appointed under section 36;
- (c) the Director-General of the Authority appointed under section 10;
- (d) two persons appointed by the Minister who shall be persons possessing knowledge in the fields of tourism, travel and training in hotel management;
- (e) the Managing - Director of the Sri Lanka Tourism Promotion Bureau established under section 40;
- (f) six persons appointed by the Minister in consultation with the Tourist Hotels Association of Sri Lanka, the Travel Agents Association of Sri Lanka, the Sri Lanka Association of Inbound Tour Operators and the Hotel School Graduates Association and selected in the following manner:—
 - (i) two representatives from the Tourist Hotels Association of Sri Lanka;
 - (ii) one person nominated by the Travel Agents Association of Sri Lanka;
 - (iii) one person nominated by the Sri Lanka Association of Inbound Tour Operators; and
 - (iv) two nominees from the Hotel School Graduates Association; and

- (g) the Secretary to the Ministry of the Minister in charge of the subject of Tourism or his representative.

Staff of the
Institute.

36. (1) The staff of the Institute shall consist of the following:—

- (a) the Director-General of the Institute appointed by the Minister on the recommendation of the Board of the Institute;
- (b) such academic staff as are necessary for the conduct of educational programs, who shall be appointed by the Institute with the approval of the Board;
- (c) such other officers and servants as the Board shall deem necessary for effectively carrying out the functions of the Institute.

(2) The procedure to be followed for the making of the recommendation under paragraph (a) above shall be as prescribed.

(3) The Director-General of the Institute shall be the Chief Executive Officer of the Institute and the staff of the Institute shall be responsible for the administration and conduct of the business of the Institute, and shall carry out such duties as are entrusted to them by the Director-General and in such manner as is specified by the Director-General on the recommendation of the Board.

(4) Subject to the other provisions of this Act, the Board may—

- (a) appoint, dismiss and exercise disciplinary control over the staff of the Institute;
- (b) fix wages and salaries or other remuneration of such staff giving due consideration to current market rates; and

- (c) determine the terms and conditions of service of such staff.

37. (1) The term of office of the members of the Board shall be three years : Provided that a member appointed in place of a member who resigns or otherwise vacates office, shall hold office for the unexpired part of the term of office of the member whom he succeeds.

Term of office
&c., of members
of the Board.

(2) A person shall be disqualified from being appointed or from continuing as Chairman of the Institute if he is, or becomes, the owner, a partner, a director, a majority shareholder or an employee of, or in, any business, which provides training in tourist services of any class or description and in hotel management.

(3) Any member who vacates office by effluxion of time shall be eligible for re-appointment.

(4) The Minister may remove any member of the Board from office, for reasons assigned.

(5) (a) Any member of the Board may resign from office by letter addressed to the Minister.

(b) Where a member is temporarily unable to discharge the duties of his office on account of ill health, absence from Sri Lanka or any other cause, the Minister may appoint some other person to act as a member in his place for the period of his absence.

(6) The Board may with the approval of the Minister, appoint such officers or servants to assist the Board in carrying out its duties under this Part.

(7) Where necessary, the Members of the Board and other officers and servants may be paid such remuneration out of the fund as may be determined by the Authority.

Hotel School to
vest in the
Institute.

38. (1) The Hotel School established under the provisions of the Ceylon Tourist Board Act, No. 10 of 1966 shall vest in the Institute from the date of the coming into operation of this Act.

(2) All property movable and immovable belonging to the Institute on the date of vesting shall stand transferred to the Institute.

(3) All members of the staff of the Hotel School shall on the date of the coming into operation of this Act, be deemed to be the staff of the Institute, with effect from the said date.

(4) All moneys lying to the credit of the Hotel School shall be transferred to the Fund established under section 19.

Appointment of
Academic Affairs
Board of the
Institute.

39. (1) The Institute shall in consultation with the Minister appoint an Academic Affairs Board, which shall consist of a Director who shall be the Chairman, and four other members.

(2) The Academic Affairs Board shall be responsible for the implementation and management of the academic activities of the Institute. The Academic Affairs Board shall be charged with the administration of any school conducted or operated by the Institute.

(3) Regulations may be made prescribing—

- (a) the manner of appointing the members and to the Academic Affairs Board and the manner in which the schools under the Institute should be administered;
- (b) the criteria required of persons seeking to establish, manage or operate privately owned Hotel Schools for training in Tourism and Hotel Management and the manner in which such Schools should be administered.

CHAPTER VII

SRI LANKA TOURISM PROMOTION BUREAU

40. (1) There shall be established a body, which shall be called and known as the Sri Lanka Tourism Promotion Bureau (hereinafter referred to as “the Bureau”) which shall be a body corporate with perpetual succession and a common seal and which may sue or be sued in such name.

Sri Lanka Tourism
Promotion Bureau.

(2) The Bureau shall comprise—

- (a) the person appointed by the Minister to be the Chairman of the Bureau;
- (b) the Director-General of the Authority appointed under section 10;
- (c) the Managing Director of the Bureau;
- (d) the Secretary to the Ministry of the Minister in charge of the subject of Finance or his representative; and
- (e) not more than six persons who shall be nominees of the Joint Council of the Sri Lanka Association of Inbound Tour Operators and the Tourist Hotels Association of Sri Lanka; and
- (f) the Secretary to the Ministry of the Minister in charge of the subject of Tourism or his representative.

(3) The person appointed as Chairman shall be a person having knowledge and experience in marketing and advertising insofar as they relate to the tourism industry.

(4) The Bureau shall have the following objectives:—

- (a) Marketing and promoting of Sri Lanka directly or indirectly, as a tourist and travel destination of

quality, in accordance with the Tourist Development Plan in consultation with the Authority;

- (b) promoting Sri Lanka as a gateway to the South Asian Region; and
- (c) making Sri Lanka known as a centre of excellence in tourism management and development in the region.

(5) The Bureau shall be entrusted with such powers, duties and functions as may be assigned to it by the Minister from time to time and with such other duties and functions as may from time to time, taking into consideration the needs of the tourist industry, be assigned.

(6) The Authority shall make an annual allocation to the Bureau for the implementation of the powers, duties and functions assigned to it and it shall be the responsibility of the Bureau to make optimum use of the funds allocated.

(7) The administration of the affairs of the Bureau shall be entrusted to a Managing - Director who shall be appointed by the Minister for such purpose. The qualifications and other criteria that shall be required of the person to be appointed to the position of Managing - Director shall be as prescribed.

(8) For the purpose of carrying out efficiently its duties connected with the promotion and marketing of Sri Lanka both within Sri Lanka and abroad, the Bureau shall maintain offices both within Sri Lanka and abroad.

(9) The Bureau shall submit to the Minister, before the expiry of a period of three months from the end of each calendar year—

- (a) a report of its work during that year;

- (b) a copy of its' audited annual accounts for the previous calendar year within three months of the current year, and half year accounts before the end of the seventh month of the calendar year ;
- (c) a statement containing such particulars as specified by the Ministry, amounting to an estimate of its income and expenditure for the succeeding calendar year;
- (d) a plan for a period of three years, projecting the work to be achieved by the Bureau;
- (e) a statement containing achievements and performance relating to the plan presented for the previous year.

41. (1) The term of office of the members of the Bureau shall be three years. Provided that a member appointed in place of a member who resigns or otherwise vacates office, shall hold office for the unexpired part of the term of office of the member whom he succeeds.

Term of office &c,
of members of the
Bureau.

(2) A person shall be disqualified from being appointed or from continuing as Chairman of the Bureau if he is, or becomes, the owner, a partner, a working director, a majority shareholder or an employee of, or in, any business which operates or provides tourist services of any class or description.

(3) Any member who vacates office by effluxion of time shall be eligible for re-appointment.

(4) (a) Any member of the Bureau may resign from office by letter addressed to the Minister.

(b) Where a member of the Bureau is temporarily unable to discharge his duties of his office on account of ill health, absence from Sri Lanka or any other cause, the Minister may appoint some other person to act as a member in his place for the period of his absence.

(5) The Bureau may with the approval of the Minister, appoint such officers or servants to assist the Bureau in carrying out its duties under this Part.

(6) Where necessary, the members of the Bureau and other officers and servants may be paid such remuneration out of the fund as may be determined by the Authority.

CHAPTER VIII

SRI LANKA CONVENTION BUREAU

Sri Lanka
Convention
Bureau.

42. (1) There shall be established a body which shall be called and known as the Sri Lanka Convention Bureau (hereinafter referred to as the “Convention Bureau”) which shall be a body corporate with perpetual succession and a common seal and which may sue or be sued in such name.

(2) The objectives of the Convention Bureau shall be :—

- (a) to promote Sri Lanka as a venue for international, regional and domestic conventions, meetings and exhibitions, and as an incentive travel destination;
- (b) to provide a common policy designed to ensure the co-ordinated and co-operative development and marketing of Sri Lanka as a venue for international, regional and domestic conventions, meetings and exhibitions and as an incentive travel destination;
- (c) to co-ordinate and assist the promotion, development and servicing by the public and private sector of international, regional and domestic conventions, meetings exhibitions and incentive travel;
- (d) to co-ordinate and co-operate with convention, exhibition and incentive travel organizers in Sri Lanka and overseas to ensure the successful staging of conventions, meetings, and exhibitions and the implementation of incentive travel programmes.

- (e) to prescribe and enforce the maintenance of professional standards by persons or organizations involved in handling various aspects of conventions, meetings, exhibitions and incentive travel;
- (f) to encourage and promote the development of professional skills among the different categories of persons or organizations involved in handling convention, meetings, exhibitions and incentive travel ;
- (g) to affiliate with, obtain membership of, or enter into any agreement with any association or organization engaged in developing or promoting conventions, meetings, exhibitions and incentive travel;
- (h) to provide guidance to the Bureau to develop, promote and market Sri Lanka as a tourist and travel destination both in Sri Lanka and abroad;
- (i) to develop and promote adequate, attractive and efficient tourist services, inclusive of the hospitality industry, in a sustainable manner; and
- (j) to do in Sri Lanka or elsewhere all such acts and things incidental or conducive to the attainment of the objects of the Bureau.

43. (1) There shall be a Board of Management of the Convention Bureau comprising not less than five and not more than thirteen members. Board of Management of the Convention Bureau.

(2) The following shall be the nominated members of the Board of Management:—

- (i) the Director-General of the Bandaranaike Memorial International Conference Hall and the exhibition Centre or his representative;
- (ii) the President of the Tourist Hotels Association of Sri Lanka or his representative;

- (iii) the President of the Sri Lanka Association of Inbound Tour Operators or the Vice President of such Association;
- (iv) the President of the Colombo City Tourist Hotels Association or his representative;
- (v) the General President of the Sri Lanka Association for the Advancement of Science or the Vice President of such Association;
- (vi) the President of the Organisation of Professional Associations of Sri Lanka or the Vice President of such Association;
- (vii) the President of the Federation of Chambers of Commerce and Industry of Sri Lanka;
- (viii) the person representing the Ministry of Finance on the Board of the Tourism Development Authority;
- (ix) the Director-General of the Tourism Development Authority appointed under section 10;
- (x) an executive of Sri Lankan Airlines Limited, nominated by the management of Sri Lankan Airlines Limited or an officer not below the rank of Senior Executive; and
- (xi) two nominees of the Minister in charge of the subject of Tourism, one of whom shall be an officer of that Ministry.

(2) The Chairman of the Convention Bureau shall be nominated by the Minister in charge of the subject of Tourism from among the persons who are members of the Board appointed under subsection (1). The Chairman shall hold office for a period of three years.

(3) The Board of Management of the Convention Bureau is authorised to remove any member of the Board if the member is absent from three consecutive board meetings and is not represented by an alternate Member.

(4) The Minister in charge of the subject of Tourism may in his discretion appoint a person who is the Chairman or President of an Association representing an under-represented sector of the industry as a member of the Board. Such member shall however not have the right to vote.

(5) Any remuneration to the members of the Board of Management of the Convention Bureau shall be determined by in consultation with the Minister of Finance.

(6) A member of the Board of Management of the Convention Bureau shall not vote in respect of any contract in which he is directly interested, or on any matter arising through such contract, and, if he does so, his vote shall not be counted.

44. The office of a member of the Board of Management of the Convention Bureau shall be vacated if that member,— *Disqualifications.*

- (a) becomes bankrupt, or insolvent, or makes any arrangement, or composition, with his creditors generally; or
- (b) is prohibited from being a member of the Board of Management by reason of any order made under the provisions of this Act; or
- (c) becomes of unsound mind; or
- (d) resigns his office by notice in writing to the Convention Bureau; or
- (e) ceases to be a member of the Board of Management of the Convention Bureau in terms of the Act.

General-Manager
of the Convention
Bureau.

45. The Convention Bureau shall employ a person to be the General-Manager of the Convention Bureau. The General-Manager shall be the Chief Executive Officer of the Bureau and the terms and conditions of employment of the General-Manager shall be specified by the Board of Management of the Convention Bureau.

Alternate members
of the Board of
Management of
the Convention
Bureau.

46. (1) A person appointed to the Board of Management of the Convention Bureau in place of a member of the Board of Management shall be called an “alternate member”.

(2) A person appointed to be an alternate member shall not receive in respect of such appointment, any remuneration from the Convention Bureau. The Board of Management of the Convention Bureau may however reimburse the alternate member such reasonable expenses as he may incur in attending and returning from meetings of the Board of Management of the Convention Bureau which he is entitled to attend, or which such member may otherwise properly incur in, or about, the business of the Convention Bureau, or may pay such allowances as it may think proper in respect of these expenses.

(3) An alternate member to be nominated by the relevant Board member in terms of subsection (2) of section 44 shall be entitled to receive notices of all meetings of the Board of Management of the Convention Bureau, and to attend and vote as a member of the Board of Management at any such meeting at which his appointer is not present, and generally to perform all the functions of his appointer in the absence of such appointer.

(4) An alternate member may be appointed for a specified period, or consequent to or until a specified event.

(5) An alternate member ceases to be a member of the Board of Management of the Convention Bureau if—

- (a) his appointer ceases to be a member of the Board of Management of the Convention Bureau; or

- (b) the alternate member compounds with his creditors, or is adjudged an insolvent ; or
- (c) the alternate member resigns his office by notice in writing ; or
- (d) the alternate member of the Board of Management of the Convention Bureau becomes a lunatic or a person of unsound mind ; or
- (e) the appointment of the alternate members of the Board of Management of the Convention Bureau is revoked by notice in writing by his appointer.

47. The Convention Bureau shall receive four *percentum* (4%) of the total sum collected as Tourist Development Levy and any other money allocated to it by the Government, for the efficient functioning of the Convention Bureau. Monies of the Bureau.

PART IV

CHAPTER IX

REGISTRATION OF TOURIST ENTERPRISES AND TOURIST SERVICES AND REGULATION OF PRICES, FEES, RATES AND CHARGES IN RESPECT OF TOURIST SERVICES

48. (1) The Minister may, on the recommendation of the Authority by Order published in the *Gazette* classify certain businesses and services being operated within the tourist and travel industry, as Tourist Enterprises and Tourist Services, respectively. Declaration and registration of Tourist Enterprises and Tourist Services.

(2) Every Order made under this section shall be placed before Parliament.

(3) Every Tourist Enterprise and Tourist Service falling within the classification made in terms of subsection (1) shall be registered with the Authority and a license issued in the name of such Enterprise or Service by the Authority, according to the different classifications. A Register of Licensed Tourist

Enterprises and Tourist Services should be maintained by the Authority. The procedures to be followed and the manner of issuing licenses shall be as prescribed.

(4) No Tourist Enterprise or Tourist Service shall carry on business unless they are registered with the Authority in terms of this section. Any Tourist Enterprise or Tourist Service carrying on business without being registered or who have not been issued with a license, shall be guilty of an offence under this Act and shall be liable to have such registration and license cancelled.

(5) Fees payable for such licensing and registration shall from time to time be specified by Order published in the *Gazette*.

(6) A license issued in terms of subsection (2) shall be valid for such period as prescribed by regulations and shall be issued in accordance with the procedure prescribed for the renewal of licenses.

(7) A license issued under this section shall be subject to requirement to maintain the minimum standards of the services being provided by any Licensed Tourist Enterprise or Tourist Service.

(8) The Authority shall make rules relating to-

- (a) the presentation of a detailed Report to the Authority prior to the issue of a License by the Tourist Enterprise or Tourist Service setting out its capacity and ability to provide the service for which the licence is being sought ; and
- (b) the manner of carrying out inspections of the service being provided by the licensed Tourist Enterprise or Tourist Service under the license issued to it and the monitoring of the same.

(9) Every Tourist Enterprise and Tourist Service licensed in terms of this section, shall in every advertisement, communication or other notification relating to the services

being provided by it, include a statement to the effect that it is a registered Tourist Enterprise or Tourist Service to which a license has been issued in terms of this section.

(10) It shall be an offence for any Tourist Enterprise and Tourist Service, which has not been registered to hold out that it is a registered Tourist Enterprise and Tourist Service.

49. (1) The Minister on the advice of the Authority shall make regulations prescribing Codes of Conduct which shall be applicable in respect of all or any of the following Tourist Enterprises and Tourist Services :-

Powers of Minister to prescribe Codes of Conduct.

- (a) Tourist Hotels ;
- (b) Travel Agents ;
- (c) Tourist Guide Lecturers ;
- (d) Specified Tourist Services (being a tourist service consisting of services not falling within any of the above) as may be identified by the Minister by Order published in the *Gazette* in consultation with the Authority.

(2) Any person who fails to comply with any matter set out in any Code of Conduct framed in terms of this section shall be guilty of an offence and be liable to a fine of rupees one hundred thousand.

50. (1) The Minister on the advice of the Authority, may categorize classes of Tourist Enterprises and Tourist Services and from time to time prescribe the standards to be maintained by any such enterprise or service.

Tourist Services and Tourist Enterprises to be categorized from time to time.

(2) Where the Minister has categorized the classes of Tourist Enterprises and Tourist Services, the Authority may issue a Certificate of Standards to any class of Tourist Enterprises or Tourist Services categorised under subsection (1).

(3) Where any service being provided by any Tourist Enterprise or Tourist Service is found to be below the standard specified in the Certificate of Standards issued to it, the Authority may identify steps which the enterprise or service is required to take to improve its standards and achieve the standard specified in the Certificate. Where any enterprise or service fails to comply with such steps as are identified by the Authority, the Authority shall forthwith cancel the Certificate issued to such enterprise or service.

Appeals.

51. Any person to whom the grant of a license in terms of subsection (2) of section 43 is refused or whose Certificate has been cancelled in terms of section 45, may appeal to an appeals tribunal appointed by the Minister for this purpose. The composition of the Tribunal and the procedure to be followed by the Tribunal shall be prescribed.

Symbol of the Authority.

52. (1) The minister shall prescribe a symbol to be the symbol of the Authority. All duly registered travel and tourist enterprises would be authorized to use or display the symbol in the manner prescribed.

(2) No person shall without the sanction of the Authority use or display the symbol of the Authority.

(3) Any person who without the permission of the Authority uses or displays the symbol of the Authority or a symbol or representation so nearly representing the symbol of the Authority in such a manner as to mislead or confuse a third party, shall be guilty of an offence under this Act.

Price Regulation Order.

53. (1) The Chairman of the Authority on the recommendation of the members of the Authority may, where it appears to him to be expedient so to do, after such consultation as may appear to be necessary, by Order regulate the prices, rates, fees or charges that may be imposed, levied, demanded or recovered for the provision of any tourist service. Such order is in this Act referred to as a "Price Regulation Order".

(2) Any Price Regulation Order—

- (a) may be made operative to all tourist services throughout Sri Lanka, or may be limited in its operation to tourist services in any such place or area in Sri Lanka as may be specified in the order ;
- (b) may be limited in its application to any such description of tourist services as may be so specified ;
- (c) may regulate prices, rates, fees or charges in respect of tourist services of different descriptions or different classes of tourist services of the same description ; and
- (d) may prescribe the conditions subject to which such prices, rates, fees or charges may be imposed, levied, demanded or recovered by any such services, including conditions as to quality and standards of the amenities or facilities afforded by any such services.

(3) (a) Without prejudice to the generality of the powers conferred by the preceding provisions of this section, the Director-General of the Authority shall, in making any Price Regulation Order have regard primarily, to the necessity of ensuring that any description of tourist services of any one class shall be entitled to impose, levy, demand or recover higher maximum prices, rates, fees or charges than any other class of tourist services of the same description.

(b) For the purposes of this Chapter, the term “class”, in relation to any travel or tourist service of any description, means the classification allotted or given to that service in the register maintained for such purpose as required by law.

(4) Every Price Regulation Order shall come into operation when such Order is made and signed by the Chairman of the Authority

(5) After any Price Regulation Order has been signed by the Chairman of the Authority, public notice thereof shall forthwith be given—

- (a) by the publication of such Order in the *Gazette* ; and
- (b) in any other manner as may be prescribed by regulations made for the purpose under this Act.

(6) Every Price Regulation Order shall, within two weeks of the date on which it comes into operation, be placed before the Minister for his consideration, and the Minister may thereupon approve or rescind the Order.

(7) Where any Price Regulation Order is rescinded by the Minister under subsection (6), notice of such rescission shall be published in the *Gazette*, and the Order shall be deemed to be rescinded with effect from the date of such publication, but without prejudice to anything done or suffered thereunder or any right, obligation or liability acquired, accrued or incurred thereunder.

(8) Where any Price Regulation Order has been approved by the Minister, notification of such approval shall be published in the *Gazette*.

(9) Any Price Regulation Order made in terms of the above provisions may from time to time in the best interests of the travel and tourist trade, be amended or varied.

(10) Every Price Regulation Order made under this section and approved by the Minister shall be placed before Parliament.

Obligations upon the making of a Price Regulation Order.

54. Where any Price Regulation Order is for the time being in operation, the proprietor or manager of every tourist service to which that Order relates shall—

- (a) maintain, or cause to be maintained, a register of prices, rates, fees or charges levied in respect of each

of the services provided by such proprietor or manager and referred to in the Order ;

- (b) make, or cause to be made, such register available for inspection by the Director-General of the Authority or any person authorized in writing in that behalf by the Director-General ; and
- (c) exhibit, in a conspicuous place and in such manner as may be directed by the Director-General, a list of the prices, rates, fees or charges referred to in that Order.

PART V

CHAPTER X

GENERAL

55. Any expense lawfully incurred by the Authority in any suit or prosecution brought by or against the Authority before any Court shall be paid out of the Fund of the Authority, and any cost paid to, or recovered by, the Authority in any such suit or prosecution shall be credited to the Fund of the Authority.

Payment of expenses incurred in suit or prosecution.

56. No writ against person or property shall issue against a member of the Authority in any action brought against the Authority.

No writ to lie against any member of the Authority.

57. Every instrument purporting to be an instrument issued by the Authority and to be sealed as required by this Act, or to be signed by or on behalf of the Authority shall be admissible in evidence and be deemed to be *prima facie* evidence thereof.

Instruments to be *prima facie* evidence.

58. The Authority or any person authorized in that behalf by the Authority may by notice require any person to furnish to the Authority or the person so authorized, within such period as shall be specified in the notice, all such returns or information relating to such matters as may be required in

Authority to call for information.

order to facilitate the preparation by the Authority of tourist or other schemes necessary for the implementation of the provisions of this Act, as are within the knowledge of that person.

Authority may enter upon land &c.,

59. The Authority or any person authorized in that behalf by the Authority may, on application made in that behalf to the Magistrate, for the purpose of the exercise or performance of the powers or duties conferred or imposed on the Authority under this Act, enter upon or into any land or structure situated in the area and may make such inspections, surveys, examinations or inquiries as may be necessary for any such purpose.

Manner of service of notice &c.,

60. (1) Any notice, order, instrument or other document required under this or any Order made thereunder to be served on any person, may be served-

- (a) by delivering it that person ; or
- (b) by leaving it at the usual or last known place of abode of that person, or in the case of a body corporate, at the registered office of that body.

(2) Any document which is served in accordance with the provisions of subsection (1) shall be deemed to have been duly served on the person to whom it is addressed.

Persons willing to be employed in travel or tourist services to be registered with the Authority.

61. (1) Any person who wishes to be employed in any travel or tourist service shall register themselves with the Authority in accordance with regulations which may be made in that behalf, as fit and suitable persons therefor.

(2) Any person who engages in employment in the travel or tourist services without registering with the Authority shall be guilty of an offence.

Power of Authority to make rules.

62. (1) The Authority may make rules in respect of all or any matter for which Rules are authorized or required by this Act to be made.

(2) No rule made by the Authority under this Act shall have effect until it has been approved by the Minister. Every such rule shall be published in the *Gazette*.

63. (1) Every person who—

Offences.

- (a) knowingly makes any false or incorrect statement in any application, return or other document made or furnished under or for the purposes of this Act or any Order made thereunder ;
- (b) false or refuses to furnish any information or return required by the Act ; or
- (c) resists or obstructs any person in the exercise, discharge or performance of any power, function or duty conferred or imposed upon that person by or under this Act or any Order made thereunder,

shall be guilty of an offence.

(2) Every person who commits an offence, under this Act shall, on conviction after summary trial before a Magistrate be liable to imprisonment not exceeding two years or a fine of not exceeding two hundred thousand rupees or both such fine and imprisonment.

64. No prosecution for an offence under this Act shall be instituted in any Court except with the written sanction of the Authority.

Sanction of Authority to be obtained for prosecutions.

65. Where an offence under this Act is committed by a body of persons, then,-

Offences by body of persons.

- (a) if that body of persons is a body corporate, every director and officer of that body corporate ; or

- (b) if that body of persons is a firm, every partner of that firm,

shall be deemed to be guilty of that offence :

Provided however, that a director or an officer of such body corporate, or a partner of such firm, shall not be deemed to be guilty of such offence if he proves that such offence as committed without his knowledge or that he exercised, due diligence to prevent the commission of such offence.

Compounding of offences.

66. (1) Any offence under this Act may, if no prosecution for such offence is pending be compounded by the Director-General of the Authority on the payment by the accused of such sum of money as may be determined by the Director-General of the Authority or if a prosecution for such offence is actually pending, be so compounded by the Director-General of the Authority with the concurrence of the Magistrate, upon the Magistrate recording reasons for so compounding.

(2) Compounding of an offence under this section shall have the effect of an acquittal.

(3) Monies paid by the accused person for the purpose of compounding an offence shall be credited to the Fund of the Authority.

Repeal of the Ceylon Tourist Board Act, No. 10 of 1966.

67. (1) The Ceylon Tourist Board Act, No. 10 of 1966 is hereby repealed. The Minister shall by Order published in the *Gazette* appoint the date on which such repeal shall take effect.

(2) From and after the repeal of the Ceylon Tourist Board Act, No. 10 of 1966,—

- (a) all movable and immovable property vested in the Ceylon Tourist Board on the day preceding the date of repeal, shall with effect from the date appointed for the repeal, vest in the Authority ;

- (b) all contracts, and agreements entered into by or with the Ceylon Tourist Board and subsisting on the day preceding the date of repeal, shall, with effect from the date appointed for the repeal, be deemed to be contracts and agreements entered into by or with the Authority ;
- (c) all actions and proceedings instituted by or against the Ceylon Tourist Board and pending on the day preceding the date of repeal, shall, with effect from the date appointed for the repeal, be deemed to be actions and proceedings instituted by or against the Authority as the case may be, and may be continued and completed accordingly ;
- (d) all persons who were members, officers and servants of the Ceylon Tourist Board on the day preceding the date of repeal, shall, with effect from the date appointed for the repeal, be deemed to be members, officers and servants of the Authority ; and
- (e) all judgments and orders made in favour or against the Ceylon Tourist Board and remaining unsatisfied on the date preceding the date of repeal, shall, with effect from date appointed for the repeal, be deemed to be judgments and orders made in favour of, or against, the Authority, as the case may be, and may be enforced accordingly ;
- (f) all training schools and institutes being controlled and managed by the Ceylon Tourist Board on the date preceding the date of repeal, shall, with effect from date appointed for the repeal, be deemed to vest in the Sri Lanka Institute of Tourism and Hotel Management established by section 33.

(3) All permits and license issued in terms of the provisions to the Ceylon Tourist Board Act, No. 10 of 1966 prior to the repeal of the aforesaid Act, shall continue to be valid and effectual as if issued under the provisions of this Act unless and until permits and license are issued in terms of this Act.

Amendment of
Tourist
Development Act,
No. 14 of 1968.

68. The Tourist Development Act, No. 14 of 1968 is hereby amended as follows :-

- (1) by the insertion immediately after section 1 of that Act of the following new section which shall have effect as section 1A of that Act :-

“Tourism Act,
No. 38 of 2005”
and “Sri Lanka
Tourism
Development
Authority ” to be
substituted for
the expressions
“principal Act”
and “Board”,
respectively.

1A. Wherever the expressions “principal Act” and “Board” appear in this Act, such expressions shall be read and construed as being a reference to the “Tourism Act, No. 38 of 2005” and the “Sri Lanka Tourism Development Authority” established by section 2 of the “Tourism Act, No. 38 of 2005”, respectively.”;

- (2) by the repeal of sections 77, 78, 79, 80, 81 and 82 of Chapter I of Part IV of that Act;
- (3) in section 103 of that Act—
 - (a) by the repeal of the definition of the expression “Board” ;
 - (b) by the repeal of the definition of the expression “Competent Authority”; and
 - (c) by the repeal of the definition of the expression “principal Act”; and
- (4) by the repeal of the Fourth, Fifth, Sixth and Seventh Schedules to that Act.

Regulations.

69. (1) The Minister may make regulations in respect of matters for which regulations are authorized or required to be made or to be prescribed by this Act.

(2) Every regulation made by the Minister shall be published in the *Gazette* and shall come into operation on the date of such publication or on such later date as may be specified, in the regulation.

(3) Every regulation made by the Minister shall as soon as convenient, after the date of its publication, be brought before Parliament for approval. Any regulation which is not so approved shall be deemed to be rescinded from the date of such disapproval but without prejudice to anything previously done thereunder.

(4) Notification of the date on which any regulation is deemed to be so rescinded shall be published in the *Gazette*.

70. Where any land or any interest in any land is required by the Authority for any of its purposes, that land or interest therein may be acquired under the Land Acquisition Act (Chapter 460) by the Government for the Authority and the provisions of that Act shall apply for the purposes of the acquisition of that land, or interest therein. Such land or such interest therein shall, for the purposes of the Land Acquisition Act (Chapter 460), be deemed to be required for a public purpose. Compulsory acquisition of land.

71. In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail. Sinhala text to prevail in case of inconsistency.

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