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Articles

To Package or Not to Package? The Consumer Experience!

For over 18 months we have been reporting on the issues that affect the very foundations of the Package Travel Regulations. In our series of articles, 'To Package or not to Package', we have sought to highlight the very real threat to consumers rights, following the decision in R v CAA, and the change in how holidays are now booked by consumers.

We have never advocated that an industry as diverse and innovative as the travel industry should not change the manner in which it sells its holidays; however, such changes should not be effected without the necessary consumer protections.

We take the view that such protections are not just advantageous for the holidaymaker, but also for the tour operator as well. The concern expressed by the travel industry centres on the fact that in changing technologies, it appears that the more 'traditional' operator is bound by regulation and bonding requirements, whereas the airlines are not.

We have already seen a boom in low cost air travel, and in another article in this Travel-Zine, we have discovered that such departures have increased by 7% over this last year. It must however be recognised that many of the mainstream tour operators, are also owners of some of the main charter airlines. Most of these so called 'charter' airlines have now re-invented themselves as low cost carriers, and some parent companies have now removed some flight elements of their service from packages, thereby negating the requirement for licensing under the Air Tour Operators Licence (ATOL). This they argue, levels the playing field against the 'airline' only part of the travel industry.

These changes are merely a symptom of a wider problem in that Government appears to be unwilling to confront the airline industry to introduce better consumer protections. The more cynical would suggest that a Government is not motivated to take direct action to incorporate part of an industry, into wider consumer protections, because of the benefit received from tax pounds.

Whilst this may form part of the reason why the Government does not act, we think that there is a simpler reason. There is a trend amongst some European countries to shy away from increased regulation, believing that this will make us more competitive with other countries.

In our last edition we highlighted the story of Mr X who went to Rome on a so called DIY holiday. When they arrived, they discovered that the hotel that they thought they had booked had in fact not been reserved. Out of a three day holiday, they lost one day trying to resolve the problem with their 'tour operator', and finding alternative accommodation for the remainder of their stay. They lost a precious days sightseeing, and it is clear that if they wished to re-visit the sights missed, they will have to return for another week-end stay.

Quite simply, they chose to book on the internet, because they believed that this would save them time and money. At the time of booking, they only received one invoice, paid one price, and believed that they were purchasing a package holiday, albeit for one week-end. The truth was discovered when they

returned to the UK. Following consultation with us, we determined that they had never been overtly advised that they were booking through an 'agent'.

Secondly, they never received a copy of their terms and conditions which would have clearly highlighted the issue of agency.

They had booked with an 'agent'; this 'agent' belongs to a very large and popular online retailer, with multi-levels of products, each connecting to other layers of company connections or other third parties.

In their terms they state that they

'operate on an agency model. This means that we act as a disclosed agent for third party suppliers, such as a hotel, tour operator or airline. What this means is that the contract for the product is between you and the supplier'.

In Mr X's case, this would mean that he would have had to pursue the hotelier for breach of contract in Rome, or does it?

Within those same terms they state, 'Where we act as agent this will mean that we have no contractual liability to you…however, we may still be liable to you if we have been negligent, we have misrepresented important information or have been in breach of any other relevant law'.

Mr X has been advised on how to deal with his problem, but his scenario begs the question. How did politicians allow this state of affairs to arrive on ordinary people? Failure to act could mean failure to vote!

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If you have been affected by any of the issues raised in this article, and would like to receive advices, then please contact HolidayTravelWatch without delay.

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