HolidayTravelWatch
PO Box 12768
Birmingham
B28 1AQ
08450179229

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PRESS RELEASE FROM HOLIDAYTRAVELWATCH™

HOLIDAYTRAVELWATCH WARNS GOVERNMENT ON PROPOSED PACKAGE TRAVEL GUIDANCE NOTE

HolidayTravelWatch has noted that the long awaited Guidance as to what constitutes a 'Package' is scheduled to be published by the Government during January 2008.

The Organisation has noted that the Travel Industry expressed disappointment at the delay in publication, scheduled for December 2007.

The publication of this Guidance follows on from the Court of Appeal case, R v CAA, where the Court defined what it considered amounted to a 'Package', insofar as interpreting the Air Tour Operator Licence (ATOL) rules were concerned. Since that decision, the Government has been subject to heavy lobbying by the Travel Industry, to provide clarification on what they consider is now a difficult area for their operations.

It has been noted from an article within the Travel Trade Gazette (21/12/07) that the Travel Industry's views will be sought on the Guidance note. The same article also notes that no airline bodies will be asked to provide their opinion on this matter. It should also be noted that this Organisation, whilst having offered its views on the future of the Package Travel Regulations, has not been asked to provide an opinion on the final proposed Guidance Note.

In the Travel Weekly Journal (14/12/07), David Marshall from the Association of British Travel Agents (ABTA stated, "We have been pressing the government to come out with a ruling so there is clarity in the market. We need it as soon as possible and the Government is aware that January is an important time for the travel industry. It is frustrating that we've worked with the

Government for some time and we're now in this position". It was suggested by David Marshall in the same article, that agents should for the time being follow the ruling in the Court of Appeal as to what constitutes a Package, and to ensure that they obtain relevant ATOL licensing where they are engaged in creating 'dynamic packaging'.

The Travel Industry is concerned, and this is shared in part by this Organisation, that the airline industry will still be allowed to sell 'flexible package bundles' through their websites or agents, whilst escaping the regulatory requirements imposed on the 'traditional' Travel Industry. Within the Travel Trade Gazette article, the Federation of Tour Operators (FTO) Director-General, Mr Andy Cooper stated that, "The government's view seems to be that it should just be endorsed by agent and operator associations. We will endorse it only if they get the views of others too".

Frank Brehany, the MD of HolidayTravelWatch states,

"We have warned the Government against creating this Guidance Note for some time. I have some sympathy for an Industry that complains that it is operating in two halves. It is simple, any ATOL or Package Travel Regulation rule that applies to the traditional elements of the Package Travel Industry, should also apply to the airline industry as a whole".

He adds,

"If the situation develops as is currently being predicted, then this will lead to a wider consumer confusion and detriment than already exists. Where ordinary working people suffer such a detriment, politicians would do well to remember that they will probably carry that dissatisfaction to the polling booth"

He concludes,

"We submitted an extensive report to the EU Commission on the future of the Package Travel Directive. That report contained 160 examples of how the current Package Travel Regulations are not working for the consumer. It was clear from the summer of 2007, that many travel providers were behaving as if the regulations no longer existed. Whilst there is some validity in the argument that any definition should apply to the wider industry, insofar as ATOL licences are concerned, let us not be fooled into thinking that the proposed Guidance Note, would not also be a green light to an industry, which appears to want to deconstruct wider current consumer protections. This is a critical time for the future of the Package Travel Regulations. If the Guidance Note is introduced, without proper consultation, there is no doubt, in the rush for that precious consumer £, the Industry will re-form itself into the models created by the airline industry. If that happens, then the debate is academic, and we are in the danger of returning to a pre-1992, lack of consumer protection era. If we needed any reminder of things to come, we should remember that there were potentially up to 3,000 British Holidaymakers in Kenya, on so called 'dynamic' or 'flexible package bundles'. We should ask the question, what protections or assistance would they have received from an industry that already interprets what is or is not a Package, if the situation had worsened for holidaymakers? We again urge the Government to wait for the outcome of the EU Commission enquiry, or, have the courage to create a Guidance Note, that strengthens the definition and protections currently stated within the Package Travel Regulations"

All Holidaymakers affected by any of these issues should call the National Helpline 08450179229 or make contact through the Organisation's website –

www.holidaytravelwatch.com

HolidayTravelWatch is a National Consumer Organisation which provides information, advice and assistance to the holidaymaker or independent traveller, who experiences problems with their travel

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arrangements. In eleven years 130,000 people have benefited from the help provided by HolidayTravelWatch, with over 46% being empowered to resolve their own claims by the information the organisation provides on their consumer rights.

HolidayTravelWatch has campaigned in the past for improvements in travel safety and is proud to have been associated with some of the leading broadcast and print media projects aimed at informing the consumer. HolidayTravelWatch continues with that campaigning spirit and continues to work closely with the media and government departments alike.

Full details of the work of HolidayTravelWatch can be found on www.holidaytravelwatch.com

For further information on this press release and any other associated matters please contact Frank Brehany on 08450179229

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