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PRESS RELEASE FROM HOLIDAYTRAVELWATCH™

TO PACKAGE OR NOT TO PACKAGE: THE CONSUMER DETRIMENT 1

Since 2005, HolidayTravelWatch has provided comment on the ever increasing threat to The Package Travel Regulations. This situation has developed partly through the changing style of purchasing holidays, but principally from the Court of Appeal decision as to what they considered constituted a 'package'. After considerable debate, the Department for Business Enterprise and Regulatory Reform (DBERR) has produced a Guidance note, in an attempt to assist with the definition as to what constitutes a 'package'.

Why is this definition important? Simply, if an agent or operator can show that they are simply selling components, then they will escape the regulatory requirements of the Air Tour Operator Licence (ATOL) scheme and, the provisions of The Package Travel Regulations. If that is the case, then the hard fought rights to protect the consumer will be lost. The consumer will be unprotected.

We have contributed to the continued debate, submitting our report examining consumer detriment, to the EU Commission and DBERR in October 2007. In that report we highlighted the very real risk that is now faced by the British Travel Consumer, through 160 case studies. We have also provided what we consider to be the solution to the diminution of Travel Consumer rights

The EU Commission are currently reviewing the Package Travel Directive, but the result of their enquiries, along with their recommendations, is not expected for some time.

The reaction to the recent Guidance produced by DBERR, produced a cautious welcome from the Travel Industry, but it does not deal with their principle concern, that being the market

operations of the airline industry. They argue, if they are subject to a regulatory regime, then so should the airline industry when they sell holidays on their websites. We have argued that any regulatory regime should apply across the board, not just to one segment of the Travel Industry. We have predicted, a notion rejected by DBERR, that their Guidance note and the Court of Appeal decision gives a green light to those who want to 'deregulate' the package holiday.

Consider this; in a reaction to the production of the Guidance note, Mr Simon Bunce, Head of Legal Services at ABTA stated that, "The Guidance could have gone further. The judgement is open to interpretation and that is the heart of the problem. The existing regulations are complicated and there is a need to change them….If you are not selling a package, best not to call it one" – (Travel Weekly – 25/1/08).

HolidayTravelWatch continues to hear from Travel Consumers suffering detriment in their holiday contracts. A recent call for help came from a Miss A, she stated:

"Just come back from Fuengirola which was booked as a package holiday through [Low Cost Airline]. The pool was not in use as it was empty. The bar was closed due to staff holidays. Do [Low Cost Airline] still have a duty, like what a high street travel agent does, to inform you that certain facilities are not available"?

Miss A is now receiving advice and assistance from the team at HolidayTravelWatch.

Frank Brehany, the MD of HolidayTravelWatch states;

"I am certain that we shall see an increase in the number of complaints, either about holidays sold through airlines, or through more traditional outlets. A large number of these complaints will centre on the fact that the holidaymaker believed they were buying a 'package' whereas the travel provider will argue that they are only acting as an agent. In the brave new world of the Guidance note, consumers should take heed that there are those who believe, that we are all tour operators now, we now have the choice, and they would also have you believe, you take all the risk. My advice to Travel Consumers is that if you find yourself in this situation – get advice immediately".

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

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