



PRESS RELEASE - For immediate release

TUESDAY 20th October 2009

CALL FOR TENDER FOR THE REVIEW OF CONSUMER PROTECTION IN THE TRAVEL INDUSTRY

The Australian Government tender system has released the formal request for tender (RFT) for suitably qualified persons to undertake the review process of consumer protection in the travel industry.

This is the important next step after the announcement by the Ministerial Council on Consumer Affairs back in May 2009 that the review would take place. The Federal and State Governments will appoint a person or company to actually do the review.

Both the terms of reference and the official timetable for the process are included within the RFT. These important details allow for the industry to commence the preparation of submissions and follow on from the discussion paper released in August by AFTA.

The terms of reference state: *(source RFT document – quote)*

The review will:

identify and review the effectiveness of, or need for, consumer protection measures in the travel and travel related services market, particularly in relation to consumer prepayments for services;

consider the relevance, effectiveness and viability of the current travel agency regulatory scheme, with a particular focus on the operation of the Travel Compensation Fund; and

identify and consider regulatory and non-regulatory options within a cost/benefit framework to address the identified consumer protection issues at a Commonwealth and State/Territory level. Where an option for consumer protection involves ongoing regulation, specific attention should be paid to the cost and benefits of such regulation and who bears those costs and benefits.

It is intended the review will consider consumer protection issues in connection with the provision of travel and travel related services in the Australian marketplace. This involves services provided directly or indirectly by persons carrying on business in Australia to both inbound and outbound tourists as well as business travellers in connection with travel inside and outside Australia.

The review timetable has been outlined within the RFT as follows:

Press release by AFTA. Contact 02 9287 9900 for more detail

CONTRACT COMMENCEMENT	15 JANUARY 2010
DRAFT REPORT PROVIDED TO TREASURY	7 JUNE 2010
PRESENTATION TO SCOCA ON DRAFT REPORT AND RECOMMENDATIONS	14 JUNE 2010
FINAL REPORT TO BE PROVIDED TO TREASURY	30 JUNE 2010

AFTA is very pleased with the content of the terms of reference as they reflect the full review that was announced earlier this year. The terms of reference also allow for a broad review which enables the possibility of many of the recommendations contained within the AFTA discussion paper to be seriously considered.

It is also noted that the timetable for the review will enable the industry to have an understanding as to the outcome and way forward by the end of this financial year, June 30, 2010.

“I am really pleased with the terms of reference for this review as it allows the process to fully investigate the current system for consumer protection while considering new ideas” Jayson Westbury Chief Executive AFTA said.

“It has been a long wait, but patience has prevailed and we now have the review we have been waiting for. The timetable also allows us all to breath while we prepare the AFTA submission” Westbury said.

“Discussions with state consumer affairs ministers are well underway within the framework of the AFTA discussion paper and the release of the terms of reference reinforces some of the themes that we have released to the state ministers” said Westbury.

“AFTA has also commenced extensive discussions with the Federal Tourism Minister and Federal Consumer Affairs Minister around the AFTA discussion paper and generally there has been positive feedback to our proposals” Westbury said.

“There is a long road ahead of us and the AFTA discussion paper has allow us to float several new ideas which will now form the basis to the submission that AFTA will make in line with the terms of reference released today” said Westbury

“I commend MECCA for having the openness of mind, the leadership and willingness to undertake this very needed review to allow the travel industry to be structured well for the future” he said.

The formal review process will commence in January 2010 at which time it is expected that AFTA and other important travel industry organisations will make submissions and work with the appointed consultants prior to the report in June 2010.

END.

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