

[News story: Increased protection for holidaymakers booking package holidays online](#)

- government starts process of improving protection for holidaymakers irrespective of where they buy their package
- bill will also make it easier for law to keep pace with changing technology

Holidaymakers who book trips on the internet will get new protections so they are not left stranded abroad or lose money if their travel firm goes bust.

In a sign of the government's commitment to helping consumers and ensuring people get the same protections online as on the High Street, the first Bill to be debated in the Commons since the Queen's Speech will give more holidaymakers coverage under [the ATOL protection scheme](#).

The new legislation will ensure ATOL protection extends to passengers who book flights, hotels or car hire that are not sold as package holidays. The move will cover a gap in the growing internet travel market by bringing up standards to those expected on the High Street.

From 2018, when holidaymakers book a flight and are then directed by the airline to a separate company to book accommodation within 24 hours, the holiday will be covered by a government protection scheme.

ATOL was set up to protect consumers against travel companies going bust. By law, all companies selling package holidays which include a flight must pay into a pot that can refund people who lose their holidays or, if needs be, bring them home if they are abroad when a company folds.

The [ABTA Holiday Habits Report 2016](#) found more than three quarters of UK consumers booked their holidays online.

Prime Minister Theresa May said:

This government is committed to making our country fairer by ensuring consumers have the protections they deserve both online and offline.

Technology has transformed the way people book holidays, and this Bill will mean the ATOL scheme can keep pace both now and in the future.

Whether you book a well-earned getaway on the internet or the High Street should not make a difference to knowing you won't be stranded or left out-of-pocket if something goes wrong.

Transport Minister John Hayes said:

ATOL was set up for good reason – we go on holiday to relax, not worry about ‘what ifs’.

But people who buy their flights and hotels separately sometimes miss out on the protection, and peace of mind, that comes with this protection.

This change will make the law fit for the modern age – and better able to adapt to any future advances in the technology that people use to book their getaway.

The ATOL Bill is getting its second reading in Parliament today (Monday 3 July) and is the first step in delivering a programme of improvements to the ATOL scheme.

The measures in the Bill ensure that government has the ability to set up appropriate protection that is flexible enough to handle the modern travel industry, by allowing the government to set up separate funds for different types of holiday product and booking method.

The changes recognise that today there are many different ways in which people book travel and holidays, and we want to ensure that the right support is there for them if things go wrong.

It will also make it easier for UK businesses to sell air holidays across the EU, as they could offer consumers in Europe the same protection and peace of mind they offer in the UK.

The Air Travel Organisers’ Licence (ATOL) is a consumer protection scheme for package holidays that include a flight. It protects over 20 million holidaymakers each year, with a promise to provide a refund or a flight home if their travel provider goes bust. This is funded by a £2.50 contribution from travel companies for each protected passenger.