Press release: New laws to better protect millions of Brits who book holidays online

UK families spend on average £22.10 per week on package travel abroad, which represents over a third (33%) of household spending on recreation and culture. With the advent of online booking, the way we buy holidays has changed significantly in recent years, with 83% of Brits booking a holiday online in 2017, compared to 76% in 2016.

New measures coming into force in July will provide clearer and stronger protections for holidaymakers by ensuring more types of holidays are protected by consumer protection rules.

This comes the day after the government launched its <u>Modernising Consumer</u> <u>Markets Green Paper</u>, holding companies to account who fail consumers and looking to strengthen enforcement of consumer rights.

The new measures will be underpinned by information requirements to ensure consumers are clear on what travel product they are buying and the corresponding level of protection.

According to <u>ABTA - the Travel Association</u>, changes to how we book travel - such as using online booking sites - have created a gap in consumer protections, with 50% of holidays not currently financially protected if a company fails.

New rules will help close this gap, meaning more holidays will be protected by consumer protection rules.

Consumer Minister Andrew Griffiths said:

When we book a package holiday we expect it all to go according to plan, but if a company goes bust it can ruin more than just the holiday, leaving people out of pocket or even stranded.

These new rules mean that internet explorers can book their holidays online, secure in the knowledge they will be compensated in the same way as someone who booked their holidays through a travel agent if something does go wrong.

New rules outlined today include:

- an extension to current protections to cover millions of extra holidays
- a requirement for better information to be provided to travellers at the point of booking, making it clear what their rights to refund are
- ensuring the business that puts together the package holiday is

responsible for the entire holiday — even if some elements will be fulfilled by other companies

The new rules will also provide clarity to businesses, increasing fairness in the travel industry by making online outlets as responsible for consumer protections as traditional travel agents.

The government is working with travel industry leaders to develop guidance for businesses to help them comply with the new regulations.

Regulations will be introduced in Parliament in April, with protections coming into force from 1 July 2018.

- 1. The Package Travel Directive consultation ran from 14 August 2017 to 25 September 2017.
- 2. Holidays booked from 1 July 2018 will be captured by the new measures.
- 3. Household expenditure stats provided by the Impact Assessment
- 4. Holiday booking stats provided by ABTA Holiday Habits 2017
- 5. Modernising consumer markets: green paper