

AFTA WELCOMES RELEASE OF ACCC REPORT ON FAIR TRADING

written by TM Staff Writer 26/11/2020



The Australian Federation of Travel Agents (AFTA) says it welcomes yesterday's release by the ACCC of its report **"The impact of COVID-19 on consumers and fair trading"**.

The report acknowledges that the "... volume of travel complaints received reflects the extraordinary impact that domestic and international travel restrictions and the subsequent cancellation of travel bookings, have had on the travel sector as well as consumers."

AFTA continues to work collaboratively with the ACCC and with the industry on ensuring consumer and businesses are informed of their rights and working to facilitate outcomes for consumers. The report further acknowledged the complexities that the industry faces stating "consumers' entitlements and businesses' rights and obligations in these instances will depend on the specific circumstances in each case."

"Securing the refunds in the current landscape is a complex, time-consuming process," said AFTA Chair Tom Manwaring. "What once took hours is now taking days, weeks and often months for the global airlines, hotels and tour operators to provide refunds and credits to travel agents to pass through to their customers."

"Each of these suppliers has their own processes, terms and conditions which further complicates the matter. Australia's travel agents have spent almost all of this year working round the clock, often seven days a week, navigating this process for their customers and clients. They are doing this not only with almost zero income as a result of the international travel ban."

- There are 4000 travel agents in Australia and 40000 people employed in our sector
- Travel agents have successfully secured \$6Bn in refunds and credits for their customers with an estimated \$4Bn still to be secured
- 70% of international travel in Australia is booked through a travel agent; (agents rely on international travel as predominant business stream)
- 2/3 of Total Turnover Value is international air and cruise (ie Domestic travel and tourism a confidence boost but doesn't help agents!)
- Each year travel agents collect taxes worth \$1 Billion and contribute \$28 Billion nationally to the economy
- Almost all agents have experienced revenue falls of close to 100% – they can't "pivot"
- Was a growth sector prior to CV, experiencing growth of 11% year-on-year 2018-19
- Australians spent over \$46Bn on international travel, the largest import sector of the Australian economy