

# THE FACTS ON REFUNDS FOR TRAVEL AGENT CUSTOMERS

## Important Information for Consumers

The Australian Federation of Travel Agents (AFTA), **now under the ATIA umbrella**, is supporting the travel agency community, travelling public and travel suppliers.

**Professional Travel Agents and their advisors believe in providing quality advice, extracted from many years-and sometimes decades - of experience, relying on trusted industry contacts while applying expert skillsets in Computer reservation systems that are complemented with the human touch.**

### AGENTS

Travel agents act as agents. When you make a booking, in almost all circumstances, the funds are transferred to the supplier and not held by the travel agent.

**When you cancel a booking, the supplier, not the agent, determines whether you receive a credit or a refund depending on the terms and conditions of purchase.**

If a refund is applicable, the agent has to wait for that money to be paid back to the agent before the agent is in a position to pass the money back to the consumer. If the end supplier is offering a credit, the agent is only in a position to offer a credit.



### DELAYS

Many airlines, cruise, tour companies and hotels, in normal circumstances, take up to 12 weeks to process refunds. If applicable, travel agents will pass on the refund to you as soon as they have received the funds back from the supplier. In the current environment, there **may be** significant delays on top of this.

These delays are not the fault of the travel agent but are due to government imposed restrictions. Travel agents are facing an incredibly high level of requests and please understand that they are doing all they can to service consumers as best they are able.

### ARE CANCELLATION/SERVICE FEES ALLOWED?

**YES.** The ACCC has advised that if your travel is cancelled **emanating from other than a travel agencies direct actions**, this changes your rights under the consumer guarantees. The terms and conditions of your contract will determine what cancellation/ service fees may be applied. This may also include any 'force majeure' clause which may limit liability or detail what is to occur in such circumstances.

If this is not stipulated, **such as a** pandemic, may give rise to what is called a 'frustrated contract' at common law or under legislation in some States. This allows 'reasonable expenses' to be deducted.

Travel agents, like everyone else, deserve to be paid for work that they do especially in situations like this which are not of

their making and which are considerably more complex and time consuming than normal.

Travel agents make their revenue when they make the booking and the customer takes the travel, they do not receive revenue from suppliers for cancellations.

In **most** circumstances travel agents will charge a fee for the work being done to cancel or re-arrange bookings. It is both fair and reasonable that travel agents are paid for the work they undertake and in order to operate their business.

**Please always read and understand the conditions and fees of the travel agency and all Airline and relevant supplier conditions and fees as these will all apply when travel advice, services or bookings are requested and made on your behalf.**