

**Consumer Protection Branch** 

### AVOIDING TRAVEL SCAMS

Unlike most products, travel services usually have to be paid for before they are delivered. This creates opportunities for disreputable individuals and companies. Some travel packages turn out to be very different from what was presented or what the consumer expected. Some don't materialize at all! Good travel deals are always tempting. After all, paying less for a vacation can mean more money for touring, souvenirs, or for another vacation. Even though there are some great legitimate travel deals out there, it always pays to be on the lookout for scams. Here are a few precautions you should take:

## • Work with a recognized travel agency.

One way to minimize your travel risk is to work with a recognized travel agency and travel counsellor. The agency may be a member of ACTA for example (Association of Canadian Travel Agencies). Ask your travel counsellor about protection in the event of default by a travel supplier. Work with a travel agency that employs Certified Travel Counsellors (CTC). Travel counsellors earn their CTC designation through practical experience, completion of two levels of exams and required continuing education.



### Tour Operators.

If making arrangements with a tour operator – check to see if the tour operator is a member of a professional travel or trade association. Some common examples are ACTA and OMCA (Ontario Motor Coach Association).

### • Travel clubs.

A travel club is an organization that claims to provide its members with access to discounts or other benefits on the future purchase of transportation, accommodation or other travel-related services. Be cautious when joining a travel club as they may involve high membership fees and no return or benefit on oftencostly investments. A consumer is contacted and invited to join a club by paying a substantial fee (from \$500-\$2500). Travel club "representatives" often solicit members over the phone, often luring you in with a claim that you have won a prize and must attend a sales presentation to collect your

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prize. The presentation will likely be a high-pressure sales demonstration.

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#### Trip cancellation insurance.

If purchasing trip cancellation insurance – look for the type that covers the suppliers going out of business and not just the insurance that provides coverage in the event of sickness, etc.

### • Pay with a credit card.

Fraudulent travel operators take the money and run, and even legitimate companies can suddenly go out of business. Credit cards are the safest way to pay for purchases because you can dispute the charges if you never get the services you were promised or the offer was misrepresented. Most credit card issuers will remove them completely if you report the problem promptly. There are new technologies, such as "substitute" credit card numbers and password programs, that can offer extra measures of protection from someone else using your credit card.

### • Avoid high-pressure sales.

Don't be pressured into "limited time" offers. If you are pressured to make an immediate decision because there are only, "a few of these bargain deals left," just say no. This may be a clear sign of a scam. Remember that there are always travel deals to be found without pressure tactics.

# Be aware of restrictions.

Often the best travel deals are only available for off-peak times, not during school vacations, holidays or other popular travel dates. You may find it hard to get the promised price for the dates that you want to travel, or there may be no space available on those dates at all.

### Read the contract.

Never sign a contract before you have read and understand it. If the salesperson promises you something that is not in the contract, DO NOT SIGN IT unless those promises are added officially. If it is not in the contract it does not exist.

#### Confirm the arrangements.

If transportation and hotel are included in the travel package, ask how to contact those companies and confirm with them directly that the reservations have been made.

### • Know exactly what's included.

A "free" or incredibly cheap trip may have hidden costs. For instance, the cruise may be free, but you have to pay to fly to the departure point and stay in a hotel at your own expense. Or you may have to endure a long, high-pressure sales pitch for a timeshare or travel club membership as part of the trip.

## • Confirm the departure date.

Get a confirmed departure date, in writing, before you pay anything. Eye skeptically any promises that an acceptable date will be arranged later. If the package involves standby or waitlist travel, or a reservation that can only be provided much later, ask if your payment is refundable if you want to cancel, and don't pay any money you can't afford to lose.

### • Do your own travel research.

It's easy to get information from a local travel agent and other sources such as newspapers, books, and the Internet. You may be able to get the trip you want for far less than the "bargain" price a company is offering.

## • Be skeptical of offers for "free" trips.

Airlines and other well-known companies sometimes operate contests for travel prizes. However, there are also companies that offer "free" trips to try to lure people into buying their products or services. It's never "free" if you have to pay something.

#### Be cautious about unsolicited emails for travel.

They are often fraudulent. If you are familiar with the company that sent you the email and you don't want to receive further messages, send a reply asking to be removed from the email list.

However, responding to unknown senders may simply verify that yours is a working email address and result in even more unwanted messages from strangers. The best approach may simply be to delete the email.

## • Shopping on the Internet.

If you purchase travel services online be sure you have the following information about the Internet seller: (1) the business name, address and telephone number;

(2) a clear description of exactly what you are purchasing;

(3) a clear description of any additional charges that may apply to the contract;

(4) the currency in which the amount owing is payable;

(5) the terms, conditions and method of payment;

(6) the supplier's cancellation, return, exchange and refund policies, if any;

(7) confirmation that you will receive a copy of the contract in writing, or in electronic form, including the delivery date (the contract should include the information disclosed to you, as well as your name and the date the contract was entered into;

(8) before giving your credit card number or other financial information to a business, make sure that the merchant has a secure transaction system. Most Internet browsers indicate when you are using as secure Internet link. To check to see if a web site is secure look for:

(a) a website address that starts with https://, or
(b) an icon, often a lock or an unbroken key, at the bottom of the screen.

#### Realize that the deal may not be as good as you think.

You may find that a travel offer requires you to make reservations through a specific company and that the costs are higher than they would be if you used your own travel agent or made the arrangements yourself. Or the offer may be valid only if you bring a companion along at full fare.

### Remember, if it sounds too good to be true – it probably is.

For more information contact:

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