

## Re :- Insolvency Protection Arrangements

Dear Gavin,

Cassidy Travel is now in its 34th year of business and we are extremely unhappy with all of the proposals put forward by CAR.

We believe that the "Traveller Protection Fund" probably due to lack of resources in the Travel Trade Section was managed poorly and with little change to the management of the scheme, there is zero confidence that the TPF will not be depleted again. Clearly the TTS needs to be adequately resourced to prevent such a reoccurrence. There seems to be no culpability for CAR or the failed travel company but a serious expense for the rest of the travel trade who have to pick up the bill.

There is little transparency on how this fund is managed or reported and without radical change it should be scrapped as it is outdated. Such a fund needs to be managed by experts who are culpable if the fund is mismanaged and must give full transparent reports on an annual basis. We still don't know what the legal outcome is for the Low Cost Holidays debacle. The TPF was created for a different era in the travel business and is now no longer fit for purpose. Legislation is really what is required as the system currently does not work for Travel Agents, Tour Operators or the travelling public and the requirement should be to protect all travellers across all distribution channels.

While Travel Agents are only responsible for approximately 18% of travellers, this leaves 82% unprotected and as we know the majority of Travel Company collapses occur with the bed banks and airlines who tend not to be bonded. We as a company have already incurred substantial costs when rebooking our clients from these failed companies and are extremely reluctant to refinance the TPF. There is no guarantee that the fund won't be wiped out again and again. It appears the travel industry is split in two with one half free to do pretty much as it wishes while licenced travel agents are heavily regulated. The cost of the TPF creates a very expensive uneven playing field which in itself is an anti-competitive practice given our unlicensed competitors who don't have to fund it. We are tired of all the bureaucracy and expensive bonding when 82% of travellers are not covered.

Given the recent demise of Thomas Cook and Monarch Airways leaving thousands of travellers stranded overseas who were not covered by the ATOL bond but whom the British Government picked up the tab for their repatriation. Our government is unlikely to pick up such a tab which is why we need a fairer more comprehensive solution. If a positive is to be taken from the demise of these companies it demonstrates the absolute importance of consumer protection, we strongly advocate the introduction of a passenger levy on all departures originating from Ireland. This levy could then be used to offset the cost of airline or tour operator failures. This would be a fair and equitable solution for all concerned and should be adopted by CAR/Government.

Our company has a strong balance sheet which was built up over the years by good management and we have set up supplier contracts to protect both our clients and our company alike. We don't want CAR requesting TPF top-ups on a regular basis to protect clients who book through poorly run undercapitalised travel companies who are most likely trading recklessly.

We hope the Minister and CAR listen to the Travel Trade suggestions and act in a meaningful manner to protect all travellers.

Kind regards

John Cassidy