

Inform consumer or get license revoked

## Consumers reminded to buy insurance against insolvency at Singapore's travel fairs

By Natalie Chen / July 31, 2015



Some agents are unhappy with the mandatory ruling by Singapore Tourism Board to advise customers to buy insurance when purchasing a package or product. Reason being that the travel agent has to highlight that they are buying insurance to guard against insolvency. This came to light at the recent consumer travel fairs in Singapore in the past week.

According to Kay Swee Pin, CEO and managing director, Sino-America Tours and president of (Singapore Outbound Travel Agents Association) SOTAA, "We felt that this new licensing condition is difficult to comply. "We will do what we think is the best thing for the consumer and for us. During our fair at Travel Revolution they have sent their enforcement teams around to ensure compliance. I am not aware if they revoked anyone's license.

"STB wants us to tell consumers to categorically protect their deposits against insolvency. That's where we object. They want us to single out travel insolvency when we are selling. Travel insurance insolvency should never be mentioned as that is the duty of travel agents to protect against that. Travel agents have to comply or their license will be revoked."

At the NATAS Holidays Fair, NATAS president, Devinder Ohri said that purchasing travel insurance to protect the consumers' investment is part of their "consumer education" initiative for the fair.

"I think this regulation is a fairly effective way of regulating the travel agencies. Your main concern here is the protection of monies held by agencies on behalf of consumers. The only problem here is some companies have gone bust holding consumers funds but if they had purchased such insurance that we suggested to them they would be completely protected."

*Added Crystal Sim, CEO & President, Albatross World Travel & Tours, "STB ruling is wise and timely. NATAS should welcome and support it."*

In the meantime, SOTAA aims to talk to the Ministry of Trade and Industry about this new regulation implemented on July 15 to resolve the "unhappiness" among the travel trade.



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