



ATHOC Response to questions received from Pat McGrath – Journalist - ABC 7.30 Report-  
Wednesday September 13th.

1. Are you also able to provide figures on the annual revenue the industry generates from membership fees?
  - **Maintenance fees are paid by owners for the maintenance and management of their properties/assets they own through a club. These differ between properties and clubs and can be dependent on such variables as property location, age, facilities and other benefits available. Providing the annual maintenance costs across all properties and clubs would be misleading.**
2. Is ATHOC concerned about complaints about high-pressure sales tactics at timeshare marketing seminars?
  - **The timeshare industry is highly regulated with all clubs responsible for ongoing training, supervision and monitoring of its representatives. The total complaints received by both the Financial Ombudsman Service and the Credit Industry Ombudsman relating to ATHOC members show that only 121 complaints were received during 2016 whilst more than 171,000 consumers attended sales presentations during the same period and more than 175,000 families owned timeshare.**
3. Is ATHOC concerned about allegations of predatory and inappropriate lending by finance companies linked to timeshare companies?
  - **ATHOC cannot comment on “allegations”. ATHOC has not received complaints regarding the type of practice you are referring to above. Australian credit licensees are bound to abide by the conditions of their licence as well as complying with the National Credit Code including responsible lending obligations.**
4. They say points-based schemes are too complicated and don't offer value for money – is that fair?
  - **There are more than 81,000 owners participating in points-based clubs within Australia who regularly use their points for holidays which is testament to the popularity of this product. Owners in points-based clubs have increased flexibility and can use their points for both accommodation as well as cruises, car hire, airfares or other holiday related purposes.**

5. Some consumer groups say the seven-day cooling off period for timeshare contracts is not sufficient, especially given that it often takes weeks for membership details to be sent to new customers. Is that a fair assessment?
  - **The 7 day cooling off period has worked well to date for consumers.**
6. They want an opt-in arrangement where customers have to send fill out a form days after the seminar to buy into timeshare schemes – is that a good proposal?
  - **Our members have advised that this is not a reasonable or commercially viable proposal. Consumers have the ability to cancel their purchase and receive a full refund during a reasonable cooling off period and our data indicates that consumers exercise this right if they do not wish to proceed with their timeshare purchase.**
7. What kinds of tighter regulations are you anticipating from ASIC's review?
  - **We are one of many stakeholders contributing submissions to ASIC and cannot make any predictions on the decisions that ASIC will make. We do hope however that full and complete consideration has been given to the effect any changes may have on existing timeshare owners and the future growth of the industry which currently contributes more than \$692.5M annually directly into the Australian economy.**