

Clarification – Timeshare Industry in response to media claims.

Recent media items about the timeshare industry contained information which was factually incorrect.

On behalf of the industry, the Australian Timeshare Holiday Ownership Council (ATHOC) wishes to clarify the inaccuracies which were reported.

The timeshare industry sells one product – the right to purchase interests or intervals in a timeshare scheme that enables a customer to stay at a chosen resort (or resorts).

Operators of timeshare businesses:

- Do not provide advice to customers on how to invest their money
- Do not offer various ranges of financial products to choose from
- Do not represent timeshare as an investment opportunity
- Do not represent timeshare as an investment on which customers will receive a return.

Regarding length of contracts, different timeshare schemes offer different products and length of ownership. In many schemes participants also obtain an interest in real property.

The sale of timeshare credits is tightly controlled – it is regulated by the Australian Securities and Investments Commission (ASIC) and like any other consumer-facing business, timeshare is subject to other federal, state and territory government consumer affairs laws.

Before any customer commits to buying into timeshare, all obligations must be clearly explained to them.

There is also a seven-day cooling off period for any customer who wishes to withdraw from an agreement to purchase timeshare credits.

Should any timeshare customer wish to make a complaint, there are numerous channels through which complaints can be made, including to the Financial Ombudsman Service Australia and the Credit and Investments Ombudsman, which are independent and impartial services available free of charge for customers of timeshare operators.

If a timeshare operator is found to be acting unlawfully, ATHOC supports the full force of the law being used to hold any such operator to account through enforcement action from ASIC and other legislated penalties, among other things. This assists with ensuring that consumers receive maximum protection.

Timeshare is one of the fastest growing and most popular segments of the Australian tourism industry.

ENDS: