

Media Release



Government of South Australia

Office of Consumer and
Business Affairs

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9 November 2005

Free travel, what's the catch?

Consumers who have received a phone call recently inviting them to attend a seminar about a travel club may be able to cool off in relation to contracts entered into at the seminar. Over the last two weeks 11 seminars in total were held at the Best Western Adelaide Riviera, North Terrace, Adelaide.

Club LaBourse Oceania Pty Ltd, which conducted the seminars, had not advised consumers of a right to cool off, despite apparently attracting the door-to-door selling provisions of the *Fair Trading Act, 1987*.

Club LaBourse invited members of the public to a seminar, and then sought to sell them membership of its club, usually at a cost of several thousand dollars. Consumers were enticed by the claim of 7 nights free accommodation for two adults guaranteed. However, once they got to the seminar consumers were advised they would have to pay \$175 booking fee for accommodation.

The Office of Consumer and Business Affairs (OCBA) have contacted 'Club LaBourse' seeking a list of every consumer that signed a contract while the company was in town. OCBA will write to all those people informing them about their rights under the door-to-door selling laws.

The Commissioner for Consumer Affairs, Mark Bodycoat said, "I would like anyone who attended these seminars to contact OCBA if they have reservations about the contract they've signed."

One couple has already had second thoughts after paying a \$500 deposit. After initially advising them they could not cool off, the company has given their money back.

Mr Bodycoat said, "Be very wary about these sorts of deals. Consider offers very carefully before parting with your money, and consider whether you should seek independent advice."

If consumers purchase goods or services costing \$50.00 or more in the course of door-to-door trading and sign a contract, they have a 10-day cooling off period, by law. Door-to-door traders are required to give consumers written information outlining the right to cool off and a form to use for the purpose. Door-to-door trading includes contracts entered into at premises that are not the trader's premises and initiated by an unsolicited phone call.

"No money or goods should exchange hands during the 10 day cooling off period. In cases where the company has failed to provide written cooling off information, or money, such as a deposit, is paid, consumers have up to 6 months to rescind the contract."

For more information about cooling off rights contact OCBA on 8204 9777 or 131 882 for regional callers or visit www.ocba.sa.gov.au.