

# Running For TICO'S Board: A Great Opportunity to Become Involved

**P**rior to the upcoming Annual General Meeting, TICO will be inviting nominations for the elected retail position on the Board of Directors, which is for a three-year term. TICO encourages anyone who is currently in a senior management position, and who would like to take an active leadership role in the travel industry as a whole, to consider running.

“This is an ideal opportunity for someone with the interests of the industry at heart to play a proactive role in shaping the future of Ontario’s travel industry,” says Michael Pepper, President and Chief Executive Officer. “And we would like to see nominees from both large and small companies, as regardless of the size of their retail agency, the right person will have a worthy contribution to make.”

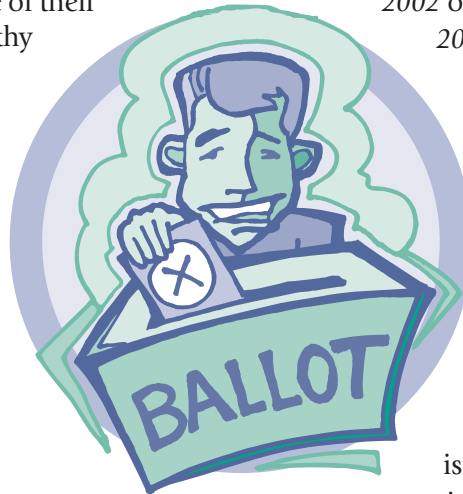
### What you should know

To qualify as a Director for the retail position, a nominee must be associated with a retail registrant in good standing, holding either a directorship or at least ten percent of the outstanding equity shares, or hold a senior officer portfolio with the retail company, such as president or vice-president. Other qualifications include:

- ⇒ an Ontario resident
- ⇒ at least 19 years of age
- ⇒ of sound mind, and
- ⇒ able to provide a satisfactory Canadian Police Information Centre and other background checks.

### The nominee must not be:

- ⇒ an undischarged bankrupt
- ⇒ insolvent or bankrupt within the past three years or associated in a business relationship with a person that has become insolvent or bankrupt within the last three years
- ⇒ an individual who is charged or has been convicted, or associated with someone that is charged or has been convicted of an offence under the Criminal Code, the *Travel Industry Act, 2002* or the *Consumer Protection Act, 2002* or similar statutes in another jurisdiction
- ⇒ an individual who is or was associated with a registrant which has had previous unpaid claims against the Compensation Fund within the previous three years, or
- ⇒ an individual who is or was associated with a registrant who is the subject of outstanding regulatory or administrative action by the Registrar under the *Travel Industry Act, 2002*.



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# TICO BOARD OF DIRECTORS 2007-2008

## INDUSTRY REPRESENTATIVES

Scott Stewart - Chair  
President  
G. Stewart Travel Services Ltd.  
Peterborough

Jill Wykes - Vice Chair  
Senior Vice President, Operations  
Thomas Cook Canada  
Toronto

Jeff Element  
President  
The Travel Corporation (Canada)  
Toronto

Mike Foster  
President  
Uniglobe Instant Travel Inc.  
London

Denise Heffron  
Vice President, Commercial  
Transat Holidays  
Etobicoke

Annika Klint  
Vice President  
The Travel Network Corporation  
Toronto

Michael Merrithew  
President  
Merit Travel Group  
Toronto

Simon Parry  
President  
Helen Thompson Travel  
Toronto

David Shaw  
President  
Evans Intravel Inc.  
Orillia

Brett Walker  
Operations Manager  
Collette Tours Canada Ltd.  
Etobicoke

Kathleen Warren, CTM  
Senior Travel Consultant  
Allison's Travel Agency Ltd.  
Windsor

## MINISTERIAL APPOINTMENTS

Deborah Brown  
Director - Sector Liaison  
Ministry of Government and Consumer Services  
Toronto

Michael Janigan  
Executive Director and General Counsel  
Public Interest Advocacy Centre  
Ottawa

Patricia Jensen  
Board Member  
Consumers Council of Canada  
Toronto

Dr. James Savary  
Department of Economics  
Glendon College, York University  
Toronto

## EX OFFICIO

Michael Pepper  
President and Chief Executive Officer  
Travel Industry Council of Ontario

## LETTER FROM THE CEO



In the last issue of TICO's newsletter, I paid tribute to Bruce Fraser, who had been on the TICO Board as a Ministry appointee since June 1997. Bruce retired from the Board on December 24, 2007. During his tenure, Bruce held many positions on the Board and it has not been easy to replace him. His official duties have now been passed on to other Board members. Patricia Jensen has assumed the role of Statutory Director. Patricia is a Ministry appointee and a consumer advocate who has been on the Board since 2005. Patricia is also on the Board of Directors of the Consumers Council of Canada. The Chair of TICO's Compensation Fund will be Michael Janigan. Michael is the Executive Director and General Counsel for the Public Interest Advocacy Centre (PIAC) in Ottawa. He is a Ministry appointee and has been on the TICO Board since 2003. Michael has also been actively involved with the Travellers Protection Initiative (TPI), representing PIAC and a number of consumer organizations across the country. The new Chair of TICO's Audit Committee is Jeff Element, a CATO appointee on the TICO Board. Jeff is an accountant and President of The Travel Corporation, Canada. He has been on the TICO Board since 2005.

Representatives on the TICO Board provide a valuable service to the travel industry in Ontario. Board members are responsible for making important policy decisions on how TICO operates and for making recommendations to government that lead to changes to the *Act* and *Regulation*. TICO has been fortunate to have such dedicated, experienced individuals volunteer their time over the years. In the spring, TICO will hold an election for a retail position on the Board. I encourage you to speak to your peers and nominate candidate(s) to run for election. I also encourage you to note the date of TICO's Annual General Meeting, which will take place on June 24, 2008 at the Toronto Congress Centre. All registrants are welcome to attend this event.

Have a great spring,

A handwritten signature in blue ink, which appears to be "Michael Pepper". The signature is stylized and cursive.

Michael Pepper

# The Importance of On-Line Compliance

With most registrants conducting at least some of their business on-line - and some operating only on-line - it is important to bear in mind that you are obliged to comply with the *Travel Industry Act, 2002* and Ontario Regulation 26/05 in exactly the same way as for a regular "bricks-and-mortar" business. However, TICO is finding that some registrants are still not meeting the requirements.

One of the most problematic areas is advertising. Registrants must remember that the total price, including taxes, **MUST** appear on the first web page that a consumer will see. It is not acceptable to show the base price, and only reveal the total price, including taxes, on the final booking page.

Similarly, it is not permitted to state on the first page that the price is "from" a certain amount. Besides providing the total price, the information must also include any limitations that may exist pertaining to that price, such as specific travel dates or for double occupancy only.

Providing information on the documentation required for travel outside Canada - for each person travelling - is also mandatory, as stated in **Section 36** of the Regulation. Since the registrant is not speaking directly to the consumer, this can be challenging. Nonetheless, registrants must find a way to do so when selling travel services on-line - whether by including a section in the on-line booking form for providing the citizenship of each traveller, or by making a direct phone call to the consumer to ascertain citizenship status. Full details of what must be included in a customer's invoice are described in **Section 38 (1)** of the Regulation.

For further clarification on requirements for on-line operations, we suggest you visit the E-Commerce Code of Conduct on TICO's website, within the Industry Information section under Downloadables. This includes



both the Regulations to which you must comply and guidelines to assist you with compliance.. ▲

## The Ins and Outs of Cancellations

The violence and political turmoil that is taking place in Kenya is having a huge impact on tourism to that country. Registrants and consumers who want to establish the conditions under which it is permissible to cancel travel arrangements to that country have contacted TICO. Consumers are subject to the terms and conditions of the travel services they have purchased, including possible cancellation penalties. However, in some circumstances, the following Sections may apply.

Under **Section 40** of the Regulation, registrants are required to promptly notify the travel agent or customer and offer the customer the choice of a full and immediate refund or comparable alternate travel services acceptable to the customer when the scheduled departure of any transportation that forms part of the travel services is delayed or advanced by 24 hours, unless the delay is a result of a force majeure. This is an event or effect that can be neither anticipated nor controlled, and includes both acts of nature and acts of people, such as riots, strikes and wars - the current situation in Kenya being a prime example.

Cancellations are also subject to the Terms and Conditions of a booking. Under **Section 36** of the Regulation, the travel agent must explain to the customer - prior to the sale - any requirements or limitations relating to transfer or cancellation of the travel services. Individual tour operators may, as a goodwill gesture, decide to refund the customer, but that is entirely their decision.

## Essential Board Activities

- There are specific responsibilities that TICO's Board and Committee members are expected to fulfil, to ensure an effective working Board. These include:
- ✓ Be knowledgeable about the Corporation's objects, its legislative framework, and the financial position of the Corporation.
  - ✓ Act within the objects of the Corporation.
  - ✓ Exercise good judgement.
  - ✓ Ensure the minutes reflect your position.
  - ✓ Use your abilities, knowledge, experience and influence constructively.
  - ✓ Be an available resource to management and the Board.
  - ✓ Understand the difference between governing and managing, and not encroaching on management's area of responsibility.
  - ✓ Demonstrate a willingness and availability for one-on-one consultation with the Chair and CEO.
  - ✓ Evaluate Board performance.
  - ✓ Build collegial working relationships with other Board and Committee members that contribute to consensus.

## PRESENTING

### Kathleen Warren, CTM Director TICO Board of Directors



*As a frontline retail travel agent, Kathleen Warren's credentials speak for themselves. After graduating with a BA from the University of Windsor, the lure of the travel industry saw her sign up to study travel and tourism at Windsor's St. Clair College. Since graduating in 1973, she has worked steadily in the retail business, and is currently a Senior Travel Consultant with Alison's Travel Agency in Windsor.*

**Q** What are some of the milestones in your career?

**A** Three years after I joined my first travel agency, I acquired accreditation as a Certified Travel Counsellor (CTC) through the Canadian Institute of Travel Counsellors (CITC), and later I studied to earn the Certified Travel Manager (CTM) designation. I have worked as a travel manager, taught in St. Clair College's travel and tourism program, and have also sat on ACTA's Board of Directors.

**Q** When did you first become involved with the CITC at a Board level?

**A** I have been on the CITC's Board of Directors since 1989. Currently I am Chair of both the national Board of Directors, and of the Ontario Region's Board of Directors. I was appointed the CITC representative on TICO's Board of Directors in 2003.

**Q** What do you think about TICO's new Education Standards?

**A** I've been on the Education Standards Committee since I joined the Board, and I have always felt it was an excellent goal to aim for. Everyone selling travel to consumers should fully understand the rules and regulations, but unfortunately, many frontline retail agents have not been aware of them. By studying for the exam and knowing what to counsel, and how to write invoices, for example, is to the benefit of everyone. Admittedly, some consumers are not particularly interested in the amount of information that you are obliged to provide, but nonetheless, it is very important that they are given it.



**Q** What do you see as possible challenges?

**A** I am sure that initially we will be running into complaints from people who say that they cannot see the benefits. This is true of educational efforts in any industry, not just the travel industry. However, anyone who wishes to continue working in this business in Ontario will have to comply. TICO has made every effort to make the process as smooth as possible.

**Q** Going forward, how do you see the educational process evolving?

**A** Some of the exam questions are likely to change, either due to legislative changes or because we realize some of the questions are perhaps too easy or too difficult. It has been a challenge for us trying to strike the right balance. Ideally, from my perspective, once the industry is comfortable with this exam, I would like to see some general travel knowledge that employers or travel managers would look for before hiring someone incorporated into the educational standards.

**Q** Where do you hope to see TICO, in the next few years?

**A** There are three main areas that I hope TICO will address in time. One is the size of the Compensation Fund, although some excellent progress has been made with the reduction in payments. Secondly, I would like the education standards to eventually place more emphasis on general travel knowledge. And finally, travel agencies in border cities such as Windsor are at a serious disadvantage as about 80 percent of our clients request our agency to purchase travel services from out-of-province tour operators. While consumers would be protected in the event of an Ontario travel retailer or wholesaler failure, or the failure of an airline or cruise line, consumers are not protected by Ontario's Travel Compensation Fund in the event of the failure of an out-of-province tour operator. I would like to see TICO come up with a solution to protect Canadians in border cities when they travel under these circumstances.

Overall, however, it must be said that TICO is doing an excellent job in keeping the industry financially strong. I am very proud to be part of TICO, and the industry as a whole should be proud of TICO's achievements on its behalf. I hope TICO continues to be proactive since in reality, it is the pulse of the Ontario travel industry. ▲



## Closing Doors

The retail registration for Aero Canadian Tours & Travel Inc. was revoked under the *Travel Industry Act, 2002* on January 10, 2008. The company was located at 80 Nashdene Road, Suite B22, Scarborough (its previous address was 3300 McNicoll Avenue, Suite 218, Scarborough) and sold mainly air to various destinations.

Any consumers who have purchased travel services from Aero Canadian Tours & Travel Inc. and have not received these services, or who may be at risk of not receiving travel services purchased, are being advised to contact TICO for assistance. Travel agents and/or consumers with concerns are encouraged to contact TICO at **1-888-451-8426** or **(905) 624-6241** to request a claim form and/or to speak to TICO's Claims Co-ordinator. Total exposure to the Compensation Fund is unknown at this time.

## TICO TALK Feedback

Whenever you have questions, comments or concerns on anything that you read in **TICOTALK**, or on any other matter that impacts the travel industry, please contact us.

Your opinions and suggestions are important to us. We can be reached very easily - at **(905) 624-6241**, or at **1-888-451-TICO**, or by e-mail to [tico@tico.ca](mailto:tico@tico.ca).



## The Role of a Proctor

As an impartial 'supervisor' for the writing of the exam, the Proctor has the following responsibilities:

- ★ To ensure the integrity of the writing of the exam
- ★ To make certain that there are no disruptions
- ★ To check the candidate's photo ID, to ensure that they are the actual candidate registered to write the exam
- ★ To make sure that the candidate completes their own exam
- ★ To use established procedures to deal with issues that may arise during the writing of the exam (an Appendix to the Proctor Guide outlines a variety of situations and the appropriate action to take).

One Proctor is required for the first 25 candidates writing in the same room at the same time. An extra Proctor is required for each additional 15 candidates.

### Payment of Proctor

There are no set rules with regard to a Proctor accepting a fee for their services. It will be strictly between the individual Proctor and the candidate. In some cases, an exchange of services can be arranged, such as a qualified Proctor from ABC Travel proctoring the exam for XYZ Travel, and vice versa. In other cases, a Proctor may request reimbursement for basic expenses or a fee for their time.



# Explaining the Process: An update on TICO's Education Standards Exams

Before registering to sit the Education Standards Exams, there are two key steps to be undertaken. The first is to organize a location that meets the requirements for taking the on-line exam. A number of schools throughout Ontario have agreed to provide proctored venues, and you can check the Canadian Institute of Travel Counsellors (CITC) website at [www.citc.ca](http://www.citc.ca) to find the school nearest to you. The next step is to select a Proctor to oversee the writing of your exam (see adjoining sidebar for further information).

### The registration process

Candidates can register on-line, on CITC's website, or print the registration form and submit by mail. You may register as an individual, or a group, such as travel agents from a particular office; and for the Travel Counsellor Exam, or the Supervisor/Manager Exam, or for both exams in the same sitting. If a group is being registered, the name of one contact person only must be submitted.

Basic information to be provided will include your name, agency, address, which exam you intend to take, when you intend to write it, and the name of the Proctor. When registering on-line, you will be required to pay by credit card. If you are mailing your application, you may pay by cheque. Provided you have registered correctly, you will receive confirmation from CITC, by e-mail.

As there will be no reminders of the examination date, it is entirely up to candidates to remember. If for any reason you are unable to write the exam on the date assigned, you must notify CITC, and there may be an administration fee to change the date.

Post-exam, you will receive a letter notifying you of the results, which will either be Pass or Fail. If you have failed, there is a minimum wait period of at least 14 days before you can retake the exam. If you fail it subsequently, the wait period is 30 days. There will be a fee for each time the exam is rewritten. ▲

### Skills and Experience

Collectively, the Board members are expected to provide credible stakeholder perspectives; to fully participate by striving for excellence and supporting consensus-building; to be strategic thinkers, taking a governance-focused approach to Board responsibilities; and to willingly support TICO's vision.

Individually, each Director brings unique skills and experience to the Board. To foster TICO's ability to provide strategic direction, and to fulfill its responsibilities, the Board should comprise members with knowledge of and experience in some key areas. These include the travel industry; membership on other Boards of Directors, including not-for-profits; diverse perspectives on business, regulated industries and consumer issues; risk management and analysis; public policy and regulatory environments; financial literacy; marketing, public relations and communications; building partnerships and strategic alliances; and developing and operating businesses.

### What is expected of a Board member

Board meetings are generally held every other month, with conference calls held when necessary, in between meetings. Ideally, a Director should attend 100% of these meetings. If attendance is less than 75%, it is a great cause for concern. Directors are also expected to sit on and participate fully in two of TICO's ten committees - and again, 100% attendance is the desired goal.

To ensure and enhance the effectiveness of Board and Committee meetings, TICO provides each Director with all necessary reports and background materials prior to the meeting. It is the Director's responsibility to come to each meeting adequately prepared for informed decision-making. Each Director is also expected to actively participate at every meeting.

At the risk of stating the obvious, since the upcoming election is for a three-year term, anyone standing for election should be reasonably confident that they are able to commit to a three-year availability.

### The nomination process

Nomination forms will be sent out this spring, and will include a complete package of information on what is entailed in running for a position on the Board. The election will take place prior to the Annual General Meeting, and the result will be announced at the AGM, which is to be held on Tuesday, June 24, 2008 at the Toronto Congress Centre.

### Exciting times ahead

“There are many changes taking place in the travel industry - globally and locally - and there is lots of work to be done by the Board,” says Michael Pepper. “As importantly, we need the industry to support the Board. It must make sure that we don't overlook any issue, and that we continue to head in the right direction. TICO, under the leadership of its Board, has to plan for the future, rather than stand still.”

## Who can be a Proctor?

To ensure no conflict of interest, the Proctor should not be someone who works for the same agency or organization as those writing the exam, and should not have a relationship with a candidate that would question the Proctor's impartiality, such as a spouse, relative or business partner. The Proctor must be approved by the Canadian Institute of Travel Counsellors (CITC) when candidates register for the exam. It is important that the Proctor reviews the Proctor Guide, which will be available on line, in order to fully understand the important role that they play in the exam process.

The following are a few examples of people who can be a Proctor:

- Someone from outside the travel industry who demonstrates maturity, no interest in the subject matter and no conflict of interest in the exam sitting for which they are being asked to proctor.
- A person who qualifies as a passport guarantor, as long as this does not pose a conflict of interest as described above.
- A Travel & Tourism educator, or another academic, whether active or retired, whether associated with the travel industry or not, provided there is no conflict of interest.

For a complete list of people who are considered suitable Proctors, please refer to the Proctor Guide.

# Upcoming Issues

In future issues of TICO TALK we plan to include:

- Notice of TICO's AGM
- Update on the Consumer Awareness Campaign
- Progress of the Travellers' Protection Initiative

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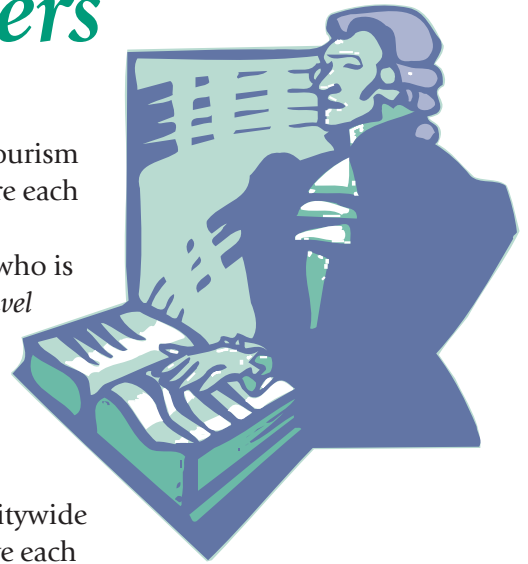
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## Court Matters

### ► CHARGES

RMR Business Travel and Tourism Ltd. and Yassin Alkallas were each charged with one count of dealing with a travel agent who is not registered under the *Travel Industry Act, 2002*, contrary to **Section 20** of Ontario Regulation 26/05 made under the *Act*.



1521103 Ontario Inc. o/a Citywide Tours, and Shih-En Lan have each been charged with one count of acting or holding themselves out as being available to act as a travel agent without being registered as such, contrary to **Subsection 4(1)(a)** of the *Travel Industry Act, 2002*. Although the registration of 1521103 Ontario Inc. o/a Citywide Tours was revoked as a travel agent under the *Act* on August 22, 2007, the company continued to sell travel to consumers after this date.

B.N. & D.D. International Inc. o/a Vishal Travel & Tours and Ali Anan Khan were each charged with one count of acting without registration, contrary to **Section 4(1)** of the *Travel Industry Act, 2002*. B.N. & D.D. International Inc. o/a Vishal Travel had previously been registered under the *Act* but continued to operate after its registration was terminated.

Alves Travel Inc. and Mariana Alves were each charged with 66 counts of failing to maintain trust accounting, contrary to **Section 27** of Ontario Regulation 26/05, made under the *Travel Industry Act, 2002*.

### ► CONVICTIONS

Gary MacLeod was convicted of one count of acting or holding himself out as being available to act as a travel agent without being registered, contrary to **Subsection 4(1)(a)** of the *Travel Industry Act, 2002*. He was fined \$1,000.

### ► REVOCATIONS

Between November 9, 2007 and February 1, 2008, five companies had their registrations revoked: RCT International Canada Inc. o/a RCT Travel - Toronto, Aero Canadian Tour & Travel Inc., Nor-Am Travel & Tours Inc., 411 Travel Inc. o/a Travel Spot, and Travel Sell Offs. ▲