

# MEDIA RELEASE



**Scam warning:** The ACCC is aware that scammers have been calling people, falsely claiming to help them get payments. They may be using this media release about Qantas refunds to convince you that it is real. If you receive a call from anyone offering to help you with a payment or refund, hang up immediately. Never give personal information to anyone calling you out of the blue, never give access to your computer or bank account and never click on a link in a text message or open an attachment in an email if you were not expecting the text or email. If you have given information to a scammer or lost money, contact your bank immediately. [Report scams to Scamwatch](#)

**6 May 2024**

## **Qantas agrees to \$20m payments to customers and, subject to court approval, a \$100m penalty for misleading consumers**

Qantas (ASX: QAN) has admitted that it misled consumers by advertising tickets for tens of thousands of flights it had already decided to cancel, and by cancelling thousands more flights without promptly telling ticketholders of its decision, after court action by the ACCC.

As part of an agreement announced today, the ACCC and Qantas will ask the Federal Court to impose a penalty of \$100 million on Qantas for breaching the Australian Consumer Law.

Qantas has also agreed in a court-enforceable undertaking to pay about \$20 million to more than 86,000 customers who were sold tickets on flights that Qantas had already decided to cancel, or in some cases who were reaccommodated on these flights after their original flights were cancelled.

Qantas will pay \$225 to domestic ticketholders and \$450 to international ticketholders. These payments are on top of any remedies these consumers already received from Qantas, such as alternative flights or refunds.

“We are pleased to have secured these admissions by Qantas that it misled its customers, and its agreement that a very significant penalty is required as a result of this conduct. The size of this proposed penalty is an important milestone in enforcing the Australian Consumer Law,” ACCC Chair Gina Cass-Gottlieb said.

“Qantas’ conduct was egregious and unacceptable. Many consumers will have made holiday, business and travel plans after booking on a phantom flight that had been cancelled.”

“We expect that this penalty, if accepted by the Court, will send a strong deterrence message to other companies. Importantly, it demonstrates that we take action to ensure that companies operating in Australia communicate clearly, accurately and honestly with their customers at all times,” Ms Cass-Gottlieb said.

“We note that Qantas has also agreed not to repeat this type of conduct in the future, and to make payments as soon as possible to the thousands of consumers who purchased tickets

on flights that Qantas had already decided to cancel, or were re-accommodated onto these flights after their original flight was cancelled.”

The ACCC launched Federal Court action against Qantas in [August 2023](#) alleging that, between 21 May 2021 and 7 July 2022, Qantas advertised tickets for more than 8,000 cancelled flights. It was also alleged that, for more than 10,000 flights scheduled to depart in May to July 2022, Qantas did not promptly notify existing ticketholders that their flights had been cancelled.

Qantas has now admitted that its misconduct continued from 21 May 2021 until 26 August 2023, affecting tens of thousands of flights scheduled to depart between 1 May 2022 and 10 May 2024.

“We acknowledge Qantas’ cooperation in ultimately deciding not to contest this case, admitting that the conduct occurred for a longer period, and seeking to resolve this early and for the benefit of consumers,” Ms Cass-Gottlieb said.

Qantas has also undertaken to notify customers of cancelled flights as soon as practicable, and no more than 48 hours from deciding to cancel the flight. It has also undertaken to stop selling cancelled flights as soon as practicable, and in any event within 24 hours of its decision to cancel. The undertaking also applies to its low-cost subsidiary, Jetstar.

Qantas will also review its consumer compliance program and appoint independent auditors who will monitor Qantas’ compliance with the undertaking and provide reports to the Qantas board and the ACCC.

### **Summary of the agreement**

Under the agreement with the ACCC, Qantas

- admits misleading representations were made to consumers in respect of flights it had decided to cancel
- undertakes to the ACCC to make payments to customers
- undertakes to not engage in this type of conduct in the future
- will make joint submissions on the proposed \$100 million penalty to the Federal Court.

The Court will determine the penalty after a hearing on a date to be fixed.

Qantas has also agreed to pay a contribution towards the ACCC’s costs.

### **Payments to affected consumers**

Qantas will facilitate payments to 86,597 consumers who, between 21 May 2021 and 26 August 2023, booked, or were re-accommodated on, a domestic or international flight scheduled to depart between 1 May 2022 until 10 May 2024 after Qantas had already decided to cancel it.

The total value of the payment scheme is expected to be approximately \$20 million.

Qantas will contact affected consumers to inform them about the payment scheme by 10 July 2024, and consumers should direct queries about the scheme to Qantas. Consumers will receive communications from Qantas and Deloitte Australia, which is administering the payments on behalf of Qantas, via email and text message, providing information on accessing a portal to facilitate the payment.

Consumers should be aware of scammers pretending to make contact on behalf of Qantas or Deloitte. Consumers should only provide their personal information through the official claims portal, and not to anyone else.

The undertaking offered by Qantas, and accepted by the ACCC, is available online at [Qantas Airways Ltd.](#)

### **Background**

Qantas is Australia's largest domestic airline operator. It is a publicly listed company which operates domestic and international passenger flights under its mainline brand, Qantas, and through its subsidiary Jetstar. It offers flights for sale through direct channels, such as its website and app, and indirect channels, such as travel agents and third-party online booking websites.

The ACCC commenced its court action against Qantas on [31 August 2023](#).

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