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Sent: Thursday, 31 August 2023 9:08 AM
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Subject: EO_Parliamentary&GovernmentLiaison&Advocacy
 RE: Embargoed copy of ACCC media release: Qantas flight cancellations
 [SEC=OFFICIAL]

OFFICIAL

OFFICIAL

The ACCC's media release has been published. <https://www.accc.gov.au/media-release/accc-takes-court-action-alleging-qantas-advertised-flights-it-had-already-cancelled> and it has been lodged with the ASX.

Lisa Anne
 [REDACTED]

From: Lisa Anne Ayres
Sent: Thursday, 31 August 2023 8:54 AM
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Subject: Embargoed copy of ACCC media release: Qantas flight cancellations [SEC=OFFICIAL]

OFFICIAL

Good morning all,

The ACCC will just after 9am today publish a media release regarding the launching of court action alleging Qantas sold seats on cancelled flights. The release is also being notified to the ASX.

Attached is a copy of the ACCC's media statement. Please maintain the embargo until after our statement is published.

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Gina will be hosting a press conference at 11am today in Melbourne on this topic.

Lisa Anne

Key Points

The ACCC today launched action in the Federal Court of Australia alleging Qantas Airways engaged in false, misleading or deceptive conduct, including by advertising and accepting payment for tickets on more than 8,000 flights that it had already cancelled but not removed from sale.

The ACCC alleges that during a three-month period between May and July 2022 Qantas kept selling tickets for cancelled flights for an average more than two weeks, and in some cases up to six weeks, before it notified consumers the flights would not proceed.

The ACCC is alleging Qantas breached Australian Consumer Law by:

Making false and misleading statements to consumers by continuing to offer for sale certain nominated flights (identified by their flight number and date), and misrepresenting that these flights were scheduled to go ahead as indicated or it would use reasonable endeavours to operate the flight, when the particular flight had already been cancelled;

Making false and misleading representations to consumers who had already bought tickets for the particular flights by failing to notify them of the cancellation on the 'Manage Booking' page, misrepresenting that the details of their flight remained unchanged and it would use reasonable endeavours to operate the flight, when the particular flight had already been cancelled;

Wrongly accepting payments from consumers buying tickets for flights that had already been cancelled by Qantas.

Background

The ACCC has investigated various aspects of Qantas' conduct over the past three years. It has been engaging with Qantas directly on aspects of its customer service in an effort to get quick and equitable outcomes for consumers.

Qantas is Australia's largest domestic airline operator. It is a publicly listed company which operates domestic and international passenger flights under its main brands QantasLink 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.

For corporations the maximum penalties for each breach of the Australian Consumer Law before 9 November 2022 is the greater of:

\$10 million,

three times the total benefits that have been obtained and are reasonably attributable, or

if the total value of the benefits cannot be determined, 10 per cent of the corporation's annual turnover.

The maximum civil penalties for cartel conduct by corporations were substantially increased with effect from 9 November 2022, by legislation passed by Parliament in October.

Regards

Lisa Anne

Lisa Anne Ayres (she/her)
General Manager | Executive Office

