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Flight Centre to refund cancellation fees

3 May 2020

The ACCC has welcomed the announcement that Flight Centre will stop charging customers hundreds of dollars in cancellation fees in order to get a refund for travel cancelled due to the COVID-19 pandemic.

Flight Centre will refund thousands of customers who, from 13 March, were charged \$300 per person to get a refund for a cancelled international flight or \$50 for a domestic flight.

This policy will also apply to cancellations fees charged by Aunt Betty, Travel Associates, Student Universe, Universal Traveller and Jetescape Travel (trading as Byojet Travel), which are part of the Flight Centre group.

Flight Centre's decision follows weeks of pressure from the ACCC for Flight Centre to improve its treatment of customers during COVID-19 travel restrictions.

The ACCC said its next step would have been court action if Flight Centre did not change its position. This announcement will provide faster relief for consumers than would have been likely to have resulted from any court action.

The ACCC has received a large number of complaints about Flight Centre's cancellation fees from consumers via its Infocentre, website, and social media channels.

"This is a very welcome move made by Flight Centre for thousands of customers impacted by COVID-19 travel cancellations," ACCC Chair Rod Sims said.

"We are continuing to discuss issues in relation to refunds and cancellations with the travel sector, and encourage travel providers to treat consumers fairly in these exceptional circumstances."

"While we know some consumers are very concerned about getting a refund or credit for their cancelled travel plans, we do ask people to be mindful of the significant impact that this pandemic has had on the travel industry."

The ACCC has received more than 6000 complaints from consumers dissatisfied with travel companies' refund policies and cancellation fees, with thousands more contacting their local state or territory fair trading agencies seeking assistance resolving individual disputes.

While a consumer's right to a refund during this period will depend on the terms and conditions of the contract entered into with travel provider, the ACCC says many businesses are struggling to process the high number of cancellations.

“We ask consumers to remain patient and be mindful of the significant pressures on businesses at this time and, where possible, contact the business by email or website, rather than by phone,” Mr Sims said.

“These are very complex issues and may take smaller businesses more time to respond.”

For more information on consumer rights and obligations of businesses during COVID-19 please visit [acc.gov.au](https://www.accc.gov.au)

Release number:

88/20

ACCC Infocentre:

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