

Qantas CEO steps down early as airline falls out of favor

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Alan Joyce is stepping down as chief executive of Qantas two months early, the airline announced.

Qantas' veteran chief executive Alan Joyce announced his early retirement Tuesday, as Australia's once-loved national carrier faced searing criticism over price gouging and poor service.

The 102-year-old airline has long been seen as a national champion, epitomizing globetrotting Aussies' sense of adventure and embodying the "Spirit of Australia".

Irish-born Joyce has been in charge for close to 15 years, often delivering bumper profits for shareholders and safeguarding the airline's dominant—critics say monopolistic—market position.

But Qantas' reputation and Joyce's have been battered since the pandemic—which brought job losses and soaring flight prices despite a COVID-induced multi-billion-dollar taxpayer bailout.

Qantas is currently being investigated for selling 8,000 tickets for already canceled flights, with a government watchdog seeking record penalties after receiving thousands of consumer complaints.

The 57-year-old CEO had been due to step down in November, but on Monday the airline said that was being brought forward by two months. Chief financial officer Vanessa Hudson was tapped as his replacement.

"In the last few weeks, the focus on Qantas and events of the past make it clear to me that the company needs to move ahead with its renewal as a priority," Joyce said in a statement.

"The best thing I can do under these circumstances is to bring forward my retirement and hand over to Vanessa and the new management team now, knowing they will do an excellent job."

Qantas posted an annual profit of US\$1.1 billion last month, capping a major financial rebound from the COVID-19 years, when Australia virtually shuttered its borders.

Under Joyce's stewardship, the airline drastically restructured to get its

books in better shape—often infuriating workers who were sacked or stood down to cut costs.

Michael Kaine, the Transport Workers' Union national secretary, welcomed Joyce's departure and called on board members to also go.

"Alan Joyce's departure is welcome news for workers. In fact, it's the first good decision the Qantas board has made for a very long time.

"Alan Joyce is slipping into retirement two months early with a \$24 (US\$16) million pay packet, leaving one of the biggest messes in corporate Australia's history in his wake," he claimed.

Australia's center-left government has become embroiled in the crisis.

Critics say Prime Minister Anthony Albanese's decision to reject Qatar Airways' plan for more Australia flights was about protecting Qantas profits and hurt passengers.

"In Australia, we have the most open aviation market in the world, bar none," Albanese said last week, denying protectionist behavior, while insisting aviation sector reforms were already in the pipeline.

Company chairman, Richard Goyder, said Joyce "always had the best interests of Qantas front and center", but added that "this transition comes at what is obviously a challenging time" for the carrier.

"We have an important job to do in restoring the public's confidence in the kind of company we are," Goyder added.

Qantas has said their shareholders will formally vote on Hudson's appointment at their annual general meeting in November.

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