



WestJet COVID Refunds: How to Get Your Money Back

Description

Refunds have been the thorn in the side of Canadian travelers in 2020. With many airlines cancelling routes without refunds, it's been a hard year for those who booked flights in the spring.

Now, however, it looks like at least one airline is coughing up the dough.

Onex company WestJet recently announced on **Twitter** that it was offering full refunds to customers. These refunds, the company claimed, would be issued to the passenger's original payment method. That would be a huge step up from the voucher policy of earlier months.

Not only that, but a consensus is beginning to emerge on *how* to get these refunds. Until now, customers struggled to get immediate cash refunds by calling WestJet. In fact, many waited months without hearing anything from the company at all. Now, however, the company is starting to come through. And one passenger has revealed how he got his money back.

Don't chase — wait

According to Barry Choi of *MoneySense*, the best way to get a refund from WestJet is to wait for the company to contact you. It may take several months, but the company will come through. According to Choi, he waited five months before he received his refund. But receive it he did! His [article on the topic](#) essentially says that trying to contact WestJet won't speed up the process and that you're better off being patient.

That might not be what passengers want to hear. But it's certainly better than what we're seeing from **Air Canada** ([TSX:AC](#)). AC has had customers in refund limbo since March, and many still haven't received their vouchers — let alone cash refunds. WestJet, like Air Canada, is taking an awfully long time, but at least the reward at the end is a full cash payout. For AC passengers, the wait for vouchers continues.

Why Air Canada is struggling

If Air Canada seems to be falling behind its biggest competitor on refunds, you can't completely blame it.

In 2020, AC has lost untold billions of dollars. It lost \$1.05 billion in the first quarter, \$1.7 billion in the second, and \$685 million in the third. That brings year-to-date losses to about \$3.4 billion. If the fourth quarter doesn't show improvement, then we could see \$4 billion in losses for 2020.

That's a lot of cash out the door. Potentially enough that Air Canada may legitimately be struggling to issue refunds at all. In the early months of the pandemic, *Vice* reported that many force-cancelled passengers were told that AC simply didn't have the money to pay them. If we look at Air Canada's finances, that could be the case. In the third quarter, AC had \$196 million in *interest expenses* alone on \$757 million in revenue. Throw other fixed costs (pension obligations, etc.) on top of that, and the company will really struggle with cash.

To be sure, Air Canada has borrowed and issued equity to maintain its liquidity. But it's not clear that that will be enough. Quite possibly, the company will need a bailout before it can pay refunds in full. That will be an interesting story to watch, by the way, because the government is saying that refunds have to be paid [before any aid is received](#).

CATEGORY

1. Coronavirus
2. Investing

TICKERS GLOBAL

1. TSX:AC (Air Canada)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Coronavirus
2. Investing

Date

2025/09/11

Date Created

2020/11/17

Author

andrewbutton

default watermark

default watermark