

CORONAVIRUS CRISIS

By **Tom Payne**
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THE founder of easyJet faces accusations of hypocrisy after his airline secured a £600million government loan yesterday – weeks after he pocketed a multi-million-pound bonus.

Sir **Stelios Haji-ioannou** sparked outrage for paying himself £60million in dividends despite the airline begging for taxpayer help during the pandemic.

Despite paying a total of £174million to shareholders last month, easyJet was awarded £600million from the Treasury and Bank of England's emergency coronavirus fund.

It is also borrowing an extra £400million from investors to keep it going

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through the crisis. The announcement came hours after Sir Stelios claimed the airline would run out of cash by August, with little hope of an upswing in summer traffic.

The government scheme, known as the Covid-19 Corporate Financing Facility, was set up to help businesses apply for loans at pre-crisis commercial rates.

The decision to give millions to easyJet will cause outrage among MPs who insist the cost of bailing out airlines should fall to their wealthy owners and not the taxpayer.

The entire aviation industry has been pleading for state aid after being crippled by the coronavirus lockdown.

But ministers have been reluctant to offer an industry-wide bailout because many airlines are run by tycoons with more than enough wealth to

weather the storm. Speaking on BBC Radio 4's Today programme, Transport Secretary Grant Shapps said: 'We are aware that a lot of the large airlines have shareholders who will be expected by the public to put their hands in their pockets.'

Sir Stelios, whose family own a third of easyJet shares, has insisted the £60million dividend payout was made legally binding before the pandemic was declared.

The Cypriot tycoon instead

says that the real 'elephant in the room' is the airline's £4.5billion order for roughly 100 new planes from Airbus.

In an open letter yesterday, he urged bosses to scrap the deal or risk the airline running out of money in August.

And Sir Stelios said it could be many months before mass air travel returns to normal.

He added: 'I think that easyJet at the end of national lockdowns will feel more like a start-up trying to find a few

profitable routes for a few aircraft at a time.'

EasyJet is just one of many crisis-hit airports and airlines struggling for survival as a result of the damaging coronavirus lockdown.

Its chief executive Johan Lundgren said: 'We remain focused on ensuring easyJet is in the best position to resume flying once the pandemic is over.'

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EasyJet handed £600million government loan (after boss Stelios took a £60m payday)



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