

From: Craig Macbride
Sent: Monday, 27 February 2012 5:48 PM
To: CCAAC
Subject: CCAAC Gift Card Review

Submission to CCAAC Gift Card Review

Gift cards are just a more restrictive form of cash. As your Issues Paper says, much of the USA (despite a history of not protecting consumer rights) doesn't allow the expiring of gift cards or fees. Some of those laws came into being as early as 2004. Various provinces in Canada banned expiry dates and maintenance fees on gift cards around 2007/2008.

It is strange that our consumer protection in this area is so deficient. Companies which place an arbitrary time limit on gift card use are simply taking consumers' money and, in some cases, providing nothing for it, a clearly unfair practice. Likewise, restrictions on transaction size are simply designed to prevent customers using what is, in effect, their own money.

Gift cards are an interest-free loan to a company, their value deteriorating over time with inflation. Expiry dates and maintenance fees should be banned. It is mind-boggling that this is even a question, let alone with the long (both in pages and in time) investigation process being undertaken here. Apart from the case of insolvencies (an incredibly tiny proportion of the problem), the desired outcome is obvious:

The customer should always be able to receive 100% of the value that was paid for the gift card, without restrictions.

This is a simple principle, which can be achieved with a few simple rules. Given that a multitude of existing legislation has been working for many years in other countries, you could have just grabbed one of those. (e.g. California -- see

<http://www.scripsmart.com/states/2-california-gift-card-law>)

It's about time our bureaucrats stopped twiddling their thumbs, creating unnecessary discussion papers and unneeded reviews and just implemented the good practices that have been implemented elsewhere for 5-10 years.

Regards,