



The Honourable Senator Pierrette Ringuette
(New Brunswick)
The Honourable Senator Céline Hervieux-Payette
(Bedford, Quebec)

PRESS RELEASE

For Immediate Release

June 30, 2009

Senate Committee report calls for government oversight into Canada's debit and credit card industry

OTTAWA – Today's report tabled by the Senate Committee on Banking, Trade and Commerce offers concrete recommendations to improve Canada's debit and credit card payment systems on behalf of both businesses and consumers, including a call for the creation of an oversight board to improve transparency and fairness in the system, said Liberal Senators Pierrette Ringuette and Céline Hervieux-Payette today.

"The Liberal Senate caucus initiated this study to hear from businesses and consumer advocacy groups, and the overwhelming message we got was that the system itself needs more balance," said Senator Ringuette. "Our Committee has called on the government to move quickly to establish an oversight body that would be able to recommend legislative or regulatory action with respect to debit and credit card fees and rates for businesses and consumers."

"Our Committee has recognized the need for urgent action, and has called on this proposed oversight board to report back to the government regarding specific actions no later than December 31, 2009," added Senator Ringuette.

The report, *Transparency, Balance and Choice: Canada's Credit Card and Debit Card Systems*, is the result of a motion made by Senator Ringuette and passed by the Senate on March 3, 2009. The Senate Committee on Banking, Trade and Commerce spent three months hearing from witnesses and stakeholders before producing this report.

"The recommendations made in this unanimous report should be adopted by the federal government to provide immediate relief, particularly for Canadian businesses who have seen credit and debit card processing fees skyrocket, and are worried about their bottom lines," said Senator Hervieux-Payette, the Deputy Chair of the Committee.

The recommendations in today's report include relief from so-called "honour all cards" rules, which have forced Canadian businesses to accept higher cost premium cards, the requirement that any fees associated with the use of debit cards be calculated on a flat-fee basis, prohibit priority routing for card transactions, as well as calls for greater transparency by credit card issuers with respect to interest rates, terms and conditions.

The report can be found on the Parliament of Canada website at:

<http://www.parl.gc.ca/40/2/parlbus/commbus/senate/com-e/bank-e/rep-e/rep04Jun09-e.htm>

“The federal government needs to act quickly on these recommendations. Businesses and consumers are looking for fairness, and these recommendations, which were adopted unanimously, will go a long way towards helping them out,” said Senator Hervieux-Payette.

“This isn't the last we'll be hearing about this complex issue,” said Senator Ringuette. “This report will provide the framework for government action to balance the system, because right now, to be frank, Canadian businesses and consumers need immediate action from this government.”

-30-

For additional information:

Michael Gendron

Office of the Honourable Senator Pierrette Ringuette

(613) 943-3645

Maximilien Depontailier

Office of the Honourable Senator Céline Hervieux-Payette

(613) 947-8008