



***Comments on the Code of Conduct for the Credit and Debit Card Industry
in Canada***

Presented to the Department of Finance

January 18th, 2010

Recommendations

Listed in the order of discussion in the submission:

Overall Framework

Option consommateurs recommend that the Department of Finance draft legislation to protect consumers in the field of electronic payments.

Oversight and consumer recourse

Option consommateurs recommend that the Department of Finance appoint an oversight body to ensure compliance with the Code of Conduct for the Credit and Debit Card Industry in Canada.

Option consommateurs recommend that the federal government require federally-regulated financial institutions to use the services of the Ombudsman for Banking Services and Investments to settle consumer disputes.

Section 4

Option consommateurs recommend that the Department of Finance ensure that signs stating which payment methods a merchant accepts specify whether credit or debit cards of each network are accepted.

Section 5

Option consommateurs recommend that the Department of Finance encourage merchants to adopt a standard method of presenting discounts offered to consumers for various payment methods. All such discounts should be listed in one way, whether it be in percentage or in dollar terms.

Option consommateurs recommend that the Department of Finance should explicitly prohibit merchants from applying surcharges based on a consumer's method of payment.

Option consommateurs recommend that the Department of Finance should clearly define the principle behind the decision to allow certain companies to co-badge payment cards. This principle and the provisions arising from it should be submitted to stakeholders before they are finalized.

Section 6

Option consommateurs recommend that the Department of Finance reconsider the wording of Section 6 and to adopt the following: "Merchants can decide whether they will accept multiple forms of debit card payment. When a consumer uses a co-badged debit card with a merchant who accepts both debit products on the card, the consumer will choose which debit payment option is used for the transaction."

Section 9

Option consommateurs recommend that the Department of Finance define more precisely what is meant by a premium card.

Option consommateurs recommend that the Department of Finance should consider whether the meanings that can be placed on Section 9 actually represent the Department's intentions.

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