

Question on Notice

No. 2046

Asked on Wednesday, 30 November 2011

MRS ATTWOOD asked the Attorney-General, Minister for Local Government and Special Minister of State (MR LUCAS)—

QUESTION:

In relation to improving safety and fairness for consumers, will the Minister advise what actions are being taken to protect investment in gift cards?

ANSWER:

I thank the Member for Mount Ommaney for her question.

On 3 June 2011, at a meeting of the then Ministerial Council on Consumer Affairs (now the Legislative and Governance Forum for Consumer Affairs), I called on my Commonwealth and State and Territory colleagues to ensure greater protection for consumers who purchase and receive gift cards.

Ministers noted community concerns at the terms and conditions around gift cards and the substantial amount of money paid by consumers for these products and agreed the Commonwealth and Queensland would lead work to explore and develop options to better protect consumers who purchase gift cards.

On behalf of Ministers the Honourable David Bradbury MP, the Commonwealth Parliamentary Secretary to the Treasurer, has invited the Commonwealth Consumer Affairs Advisory Council (CCAAC) to conduct the gift card review. CCAAC is an independent, expert body established to provide specialist advice on consumer affairs matters.

At the Legislative and Governance Forum for Consumer Affairs meeting on Friday, 9 December 2011, Ministers noted the release of the *Gift Cards in the Australian Market: Issues Paper* which has been prepared by CCAAC for consumer and industry feedback.

The issues paper explores issues associated with gift cards, including the application of expiry dates and other terms and conditions, gift card holders' rights in the event of trader insolvency, and a range of other matters. The release of the issues paper gives Australians a chance to have their say on the issues that affect them when they buy or receive gift cards and I strongly encourage Queenslanders to participate in this review process by telling CCAAC about their experiences with gift cards.

The issues paper is available via the Office of Fair Trading website at www.fairtrading.qld.gov.au. Submissions in response to the issues paper may be made to CCAAC before 5.00pm on Friday, 2 March 2012.

In the meantime, with many people relying on gift cards as a quick and easy option when buying a gift for family and friends, I urge Queenslanders to carefully consider the terms and conditions of gift cards and to be aware of the risks.

The Office of Fair Trading publishes important information for consumers about gift cards on its website and through social media, including in the lead up to key gift-buying occasions such as Father's Day and Christmas. In addition, the BuySmartQLD iPhone and Android app incorporates a feature that allows users to set reminders for upcoming expiry dates for gift cards.

The Office of Fair Trading has developed best practice guidelines for businesses that sell gift cards, which are available on-line and have been promoted in the Office of Fair Trading Smart Business Bulletin.

I look forward to CCAAC finalising its review of gift cards in the Australian marketplace. In the meantime, I would encourage all retailers to do the right thing by their customers while the review is being undertaken. For example, by providing consumers with cash change on low gift card balances and providing a fair and reasonable period for any expiry date.