

BC Restaurant & Foodservices Association applauds Senate for initiating credit card industry investigation

Ottawa, March 5, 2009 – The BC Restaurant & Foodservices Association (BCRFA) and the Stop Sticking It To Us coalition, representing over 200,000 small and large businesses, applauds the Senate Committee on Banking, Trade and Commerce for announcing today that it will move forward with an investigation of Canada's credit and debit card system. The announcement follows the introduction of a motion for an investigation by Senator Pierrette Ringuette in January this year. Retail Council of Canada, the association that speaks for and represents the merchant community in Canada, has been at the forefront of this issue and looks forward to actively participating in this important inquiry and working with the Committee to determine the impact of the fees charged to Canadian merchants and consumers by credit card companies and banks issuing their cards.

At a time when many Canadians are struggling and businesses are challenged to decrease costs while still providing value to their customers, the fees charged by credit card companies and the banks that issue their cards are increasing at an unprecedented rate, says Diane J. Brisebois, President and CEO, Retail Council of Canada. Our Merchants are encouraged that the Senate sees this as a priority issue and that it will move forward to investigate the industry and provide recommendations that will help protect all Canadians.

The fees charged to merchants for accepting credit and debit transactions represent an enormous cost for average Canadians and any organization -- small businesses, retailers, charities, schools, restaurants, hotels, government services and others -- that accepts payment by this method.

Merchants and others are not opposed to paying fees, but the costs need to reflect the services provided. The fees retailers, restaurants, charities and others pay the big credit card companies and the banks issuing their cards are among the highest in the world, exceeding 2 per cent. That means that a \$100 purchase costs small businesses two dollars or more, which goes directly to the card companies and their issuing banks. Compare that to a small business in Australia that is charged about \$1 on the same \$100 transaction, or in the UK where they pay 79 cents. In these and other countries, governments have acted to curb high card costs.

Dozens of countries around the world . including the U.S., Australia, Colombia, Hungary, Romania and Spain - are investigating the card companies' fee practices. RCC and the www.StopStickingItToUs.com coalition, a group of national and regional associations representing more the 200,000 businesses across Canada, call on federal and provincial political leaders to help expose these fees and stand up for small businesses, their employees and the Canadian communities they serve.

- 30 -

The Stop Sticking It to Us Coalition Representing over 200,000 Canadian businesses in communities like yours

*Retail Council of Canada
Alberta Liquor Store Association
Canadian Booksellers Association
Canadian Convenience Stores Association
Canadian Council of Grocery Distributors
Canadian Federation of Independent Grocers
Canadian Jewellers Association
Canadian Restaurant and Foodservices Association
Hotel Association of Canada
Ontario Accommodation Association
Ontario Restaurant Hotel and Motel Association
Retail B.C
The Canadian Independent Petroleum Marketers Association
The British Columbia Restaurant and Food Services Association*

The Retail Merchant's Association of Canada (Ontario)
Wine Council of Ontario
Mega Group Inc.
Bicycle Trade Association of Canada
Canadian Oil Heat Association
Conseil québécois du commerce de détail
Camping in Ontario
Tourism Industry Association of Canada
Association des marchands dépanneurs et épiciers du Québec
Association des détaillants en alimentation du Québec
Association des détaillants en matériaux de construction du Québec
Association des hôteliers du Québec
Conseil des chaînes de restaurants du Québec
Conseil canadien de la distribution en alimentation-Québec