



Matt Kean
Minister for Innovation and Better Regulation

MEDIA RELEASE

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NSW CONSUMERS TO GET A FAIRER DEAL ON GIFT CARDS

Consumers across NSW will have more money in their pockets thanks to Australian-first gift card reforms, Minister for Better Regulation Matt Kean announced today.

Mr Kean said the proposed plan would see mandatory three-year expiry dates for all gift cards sold in NSW, putting up to \$60 million a year back in the hands of shoppers.

“When consumers hand over their hard-earned money, they rightly expect to get what they pay for,” he said.

“I’m fed up of business taking money from shoppers and providing nothing in return, which is why I’m putting consumers first and making sure they get a fair deal.

“Our plan will also stamp out further gouging of consumers through post-purchase fees and charges that reduce the balance on their gift card.”

Mr Kean said the Australian gift card market is worth up to \$2.5 billion per annum, with about 34 million gift cards sold nationally each year.

“Most gift cards are offered with a 12-month expiry date; however, up to eight per cent of recipients do not use the full balance in time,” he said.

“This means NSW consumers are losing tens of millions of dollars a year and I just won’t stand for that.

“We’ve had more than 1300 complaints about gift cards to NSW Fair Trading over the past five years – mostly about expiry periods and undisclosed terms and conditions.

“Receiving a gift card on a special occasion should be a fun experience, but instead it has become an unwelcome headache for shoppers, and it’s just not good enough.

“That’s why I am putting consumers first and proposing reforms that will make it illegal for businesses to issue gift cards with an expiry period less than three years.”

After consultation with key stakeholders, including retailer groups, a Bill is being prepared to put before Parliament.

This will form part of an ongoing suite of ‘Consumers First’ reforms by the state government.

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