

Consumers' Bureau

announces maximum fees on the cashing of government cheques

Important information for recipients of government cheques

Effective October 1, 2007 the maximum charge allowed for cashing a government cheque in Manitoba is \$3 plus two per cent of the face value of the cheque.

The rate applies to anyone cashing government cheques, including individuals, retail stores, financial institutions, cheque-cashers, payday lenders and pawnbrokers. A person can be charged less than the maximum amount, but they cannot be charged more.

There are only **two exceptions**:

- ▶ If a cheque is put on hold and cash is not provided, the maximum charge is \$5, or the sum of \$3 and two per cent of the cheque amount, whichever is less.
- ▶ If the consumer is required to spend 10 per cent or more of the cheque amount on goods or services in return for cashing it, no fee may be charged.

Government cheques include those issued by:

- ▶ Government of Canada (ex: employment insurance, income tax refunds)
- ▶ Province of Manitoba (ex: income assistance)
- ▶ Manitoba Housing and Renewal Corporation

- ▶ Manitoba Housing Authority
- ▶ Manitoba Public Insurance Corporation
- ▶ The Workers Compensation Board

What happens if there is a problem?

- ▶ A business or individual charging more than the limit is required to refund the entire charge.
- ▶ If a business or individual refuses to refund the overcharged fee, contact the Consumers' Bureau for assistance (see contact information below).
- ▶ A business that charges more than the maximum fee can be required to pay an administrative penalty ranging from \$1,000 to \$5,000.

For more information or assistance, contact:
Consumers' Bureau
302-258 Portage Avenue
Winnipeg, Manitoba R3C 0B6

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