

How many customers, prior to initiating a shopping experience, ask the retailer if there is a surcharge for paying with credit cards? Is the RBA that far out of touch with the Australian consumer? Is the RBA tasked with altering consumers' behaviour or making the payments system easier to use and less restrictive?

As a consumer, do I want to be told at the point of sale that there will be a surcharge on the amount that I have agreed to pay as per the price tag of the item(s) I have selected? Is that in "the public interest"? What price signal do I, as a consumer, base my expectation on? The price tag, not the small sign at the register, which I don't walk past and check for the percentage of merchant fees to be added to the ticketed price. One might almost say that this standard has placed obstacles in the way of my shopping experience

Why should I, as a consumer, be penalised for my choice of payment method at the time of purchase? Whether I use cash, a debit card, a credit card or even barter, why should I be penalised? Is the merchant penalising me or is he or she also being penalised by his or her financial institution for accepting card payments (which your own media release several months ago has said is the dominant form of transaction) and has to pass this on in order to continue to be involved in a profit making activity?

How many merchants, especially smaller merchants, have the knowledge or the capacity to negotiate with financial institutions as to the amount of fees they will be charged for accepting credit/debit cards? Anecdotally, I am aware of several smaller merchants who have tried to negotiate fees and have been told by their banks that no movement is possible and if this is unacceptable, then to move.

Removal of the "No Surcharge" standard would be in MY public interest as I would have certainty around the price that I have agreed to pay for an item I have selected. If I purchase fuel at BP or Caltex, I will have a surcharge charged on top of the advertised pump price, if I purchase my fuel from Gull or Shell, I won't be charged a surcharge over and above the advertised pump price. Which am I more likely to use? But smaller merchants don't have this pricing power to be able to absorb scheme costs like Gull and Shell. If a merchant wants to build a margin into his or her pricing of an item and I am happy to pay the ADVERTISED price, then that should be a sufficient market mechanism to encourage consumer consumption.

How many other countries' Reserve Banks have created a similar standard? Or have any rejected this as not being in the consumers' best interest? Perhaps a more transparent method of pricing would be for the merchant to have different prices on the items dependant on the method of payment. This would be a "better" solution if you must continue in making merchant fees "visible" to the consumer, who doesn't really care about how much the merchant pays only in what she or he purchases and how much is paid for it..