

-----Original Message-----

From: Maxwell [mailto: [\[e-mail address supplied\]](#)]

Sent: Sunday, 13 June 2004 18:11

To: payments@rba.gov.au

Subject: Credit card system

Head of Payments Policy

RBA.

Dear Sir, before proceeding with any designations on ATM and EFTPOS, please consider what happened when the credit card schemes were recently amended in view of more competition and a better deal for the user. You opened the gate for merchants to charge fees from Credit Card users which they had not been able to do for all the years past and which the credit card system was never designed to cater for. The whole credit card philosophy surely was to provide greater turnover for merchants who in turn were charged a modest fee for banking credit slips. In return the user paid high interest on his credit. Now the merchant has the capacity to go for the jugular with purchase fees. And who is leading the charge? None other than Telstra, still 51% government owned, closely followed by Qantas and Virgin Airlines. It won't be long before every utility in the country will be billing consumers for using their credit cards as well as the utility.

And what you did was to promote competition and benefit the consumer? Be very careful what you do with ATM's and EFT transactions or the consumer will be ripped off again! Think of the burgeoning grey masses and other low socio economic areas as well as the blossoming \$52,000 a year earners. The grey masses can't afford all these little nips even if some others can.

Max Stark.

[\[Contact details supplied\]](#)