

Submission to ACCC
re
EFTPOS Interchange Draft Determination
(Applications for Authorisation A30224 and A30225)



Australian Retailers Association

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1. Introduction

The Australian Retailers Association (ARA) is the nationwide voice of the Australian retail industry.

The ARA's membership comprises approximately 11,000 retail businesses, which transact an estimated 75% of the nation's retail sales and employ around three quarters of the retail workforce.

ARA members operate around 40,000 retail outlets across the nation. Approximately 10,000 or 95% of the Association's members are small businesses (i.e. employing less than 20 staff) operating in only one state.

Larger ARA members are responsible for significant investments in the Australian payments infrastructure. Such retailers have invested tens of millions of dollars in providing consumers with the ability to reliably and securely utilise multiple payment methods.

This paper has been prepared in response to the Draft Determination by the Australian Competition and Consumer Commission (ACCC) regarding the application for a move to zero interchange for EFTPOS.

The purpose of this paper is not to reiterate all the original arguments against zero interchange, but to:

1. comment on the key findings of the Draft Determination, and
2. respond to issues raised by various parties at the Pre-determination Conference

The ARA agrees with the key finding of the Draft Determination that no public benefit would result from a move to zero interchange. However, we disagree with the findings relating to investment in infrastructure and to the linking of changes to the interchange fee with reform of the access regime.

2. Incentives For Investment

The ARA believes that on-going incentives for investment in acquiring infrastructure are essential to the long-term health of the EFTPOS system and to ensure that the system continues to provide significant public benefits. Further, the ARA believes the current interchange fee has been crucial to the high levels of investment which have resulted in the world class system Australia now has.

As the RBA states:

*"Australia now has the highest rate of EFTPOS terminal penetration of all industrialised nations except New Zealand."*¹

It is not a coincidence that both Australia and New Zealand have negative interchange which has allowed acquirers and merchants to invest in facilities which provide significant public benefits.

¹ *The Changing Australian Retail Payments Landscape*, Reserve Bank of Australia, July 2003, p.4.

Organisations investing in infrastructure, both acquirers and merchants, need a return on their investment, otherwise their expenditure will be reduced to minimum levels. A good example of this is the UK, where lack of investment incentives has resulted in a system which operates largely in an off-line environment, is signature rather than PIN based and has resultant high fraud.² The UK industry is now undertaking a major program based on chip cards to redress these problems which will take many years to implement and will be at a very high cost. Conversely, banks in Australia can see no business case for chip cards, primarily because of our low fraud levels due to a fully on-line system which is secure, fast, reliable and efficient and which has resulted from many years of continuing investment in processing systems and on-line communication networks.

To acquire EFTPOS transactions, a significant investment in a number of areas is required, including:

- fault-tolerant transaction processing and switching systems (which need to be constantly upgraded due to increasing transaction volumes)
- purchase and maintenance of card terminals
- data encryption and key management for secure PIN pads
- maintenance of records and security data for card terminals
- certification of equipment
- settlement and commercial arrangements
- merchant acquisition and maintenance
- disaster recovery systems and procedures

Currently the issuer pays the acquirer a fee to recognise and compensate for the high level of investment required. **This is in line with normal business practice where the party providing the service is paid by the user of that service.** In other words, if an organisation invests in a system to acquire transactions for issuers, they should be paid by the issuers for that service. Similarly, if a merchant invests in card processing infrastructure at the point of sale, relieving the acquirer of having to make that investment, it also should be compensated for the service it provides. The current interchange arrangements allow for this to happen - zero interchange does not.

Under the proposed zero interchange fee structure, merchants who have invested in their own card processing infrastructure would have to pay acquirers a fee for every transaction which is processed through their own network. On the other hand, issuers, including those small issuers who have made no investment at all in EFTPOS acquiring infrastructure, would have access to the national merchant and acquirer card network at no cost. This does not make commercial sense. **The current interchange arrangements are equitable in distributing income to those who make investments and provide services while allocating the costs to the recipients of those services.**

Comments were made at the Pre-determination Conference that the original investment by merchants has been recovered and there is no longer a need for incentives. This is simply not true. It is important to realise that the infrastructure costs are not a one-off investment. Card terminals need to be replaced; telecoms infrastructure needs to be funded; new front-end processors need to be developed and implemented (two major acquirers are currently in the process of replacing their front-end switches at a very substantial cost); APCA has mandated that all card terminals must be upgraded to be Triple-DES compliant by January 2005. These are just a few examples of the need for on-going investment in infrastructure.

² For more information, refer to "Record of Pre-determination Conference", 1 September 2003, ACCC - Attachment E (Supplementary Submission by Caltex). This provides details of the UK experience.

The view that there is no longer a need for incentives and that the issuer should not pay any fees to the acquirer also ignores the fact that there are variable costs associated with acquiring every transaction, such as telecommunication traffic costs, and these also need to be recovered.

The Australian Institute of Petroleum (AIP) requested industry experts TransAction Resources to undertake a review of the cost of acquiring and processing an EFTPOS transaction. This was calculated to be 21 cents per transaction, based on industry averages across small and large acquirers and merchants. Costs for individual acquirers and merchants will vary according to their size and other variables. The cost structure (per transaction) is as follows:

Processing and switching costs	3 cents
Telecommunications	6 cents
Other operating costs, including staff	4 cents
Card terminal costs ³	8 cents
Total	21 cents

The above figures are the total costs for acquiring the transaction. These may be incurred wholly by the acquirer or, in the case of large merchants, may be partly incurred by the merchants themselves.

The above costs are in addition to any costs incurred by the issuer in processing the transaction. In other words, if there were no third party acquirers to process transactions at the point of sale and switch them to the issuer, then each issuer would have to pay for developing and implementing its own acquiring infrastructure. This would be very costly, highly inefficient and would result in a processing fee far higher than that shown above.

Sustainability over the long term is one of the key objectives in any review of the EFTPOS system. The current interchange arrangements provide a justification for acquirers and merchants to continue to invest in new technology needed to maintain and upgrade the network. This is particularly important in the current environment where retailers are being asked to make investments in fraud reduction infrastructure. Visa, for example, has said that an investment of between \$800 million and \$1 billion will be required by the cards industry over the next few years for additional fraud prevention measures. As such, it does not seem sensible to jeopardise further investment and place the on-going health of the EFTPOS system at risk.

The ARA also fully supports the comments made by Caltex in its submission to the Pre-decision Conference in the section on Network Investment.⁴

3. Access Regime

The ARA agrees with the Commission that access reform is badly needed in the EFTPOS network. The ARA believes that access reform is the best way to achieve long-term cost reductions and efficiency gains for all stakeholders. Increased competition from new entrants will promote the use of modern, lower cost technology platforms, provide incentives

³ Includes amortisation of terminal purchase, installation and maintenance costs

⁴ *Record of Pre-determination Conference*, ACCC, 1 September 2003, Attachment E (Supplementary Submission by Caltex),

for processing and administration cost reductions and in turn lead to sustainable lower costs for EFTPOS merchants and cardholders.

The Application currently before the Commission however, has excluded consideration of access reform from its scope, and concerns itself with interchange pricing only. As the Commission itself has noted, it must reach its decision based solely on the merits of the Application before it, and specifically:

*"... the Commission's role is not to design for others business arrangements that can be authorised, nor insist on optimum arrangements before granting authorisation ..."*⁵

With this in mind, the following statement can only be seen as speculative, and not relevant to the current Application:

*"However, the Commission considers that, in the event that suitable access reform was to be introduced the proposed Agreement is more likely to be in the net public benefit."*⁶

The process of EFTPOS access reform must be kept separate and distinct from any determination in relation to the current Application. The EFTPOS access reform process is likely to take a considerable period of time, and the outcome of that process is not known at this time.

The ARA also has some concerns regarding the work of the EFTPOS Access Working Group (EAWG) formed under the auspices of the APCA Consumer Electronic Clearing System.

The ARA is concerned that the APCA Board decided to rule changes to the existing EFTPOS network architecture to be "out of scope" in April 2003, almost immediately after the EAWG began its work. The ARA considers this decision was made prematurely and also considers that **the current bilateral nature of the network architecture remains one of the key barriers to entry on equal terms.**

The ARA is also concerned that the APCA Board may have some conflict of interest in managing the access reform process, as many of its members may suffer some commercial disadvantage if new competitors are more freely able to enter the EFTPOS market as either issuers, acquirers or both.

The ARA therefore agrees with the following observation:

*"The Commission is concerned however that the outcome of the APCA review process is highly uncertain."*⁷

The ARA believes that APCA is not the appropriate body to conduct the process of EFTPOS access reform.

⁵ Draft Determination, ACCC, 8 August 2003, p. 30, para 5.7

⁶ Draft Determination, ACCC, 8 August 2003, p. iv

⁷ Draft Determination, ACCC, 8 August 2003, p. iv

4. Other Issues

The following issues were raised by various parties at the Pre-determination Conference in Canberra on 1 September 2003. The ARA wishes to comment on these issues and challenge certain statements made at the Conference.

4.1 Pass Through of Savings

A considerable amount of the discussion around "net public benefit" relates to the savings that could be achieved by EFTPOS issuers and the extent to which these savings may, or may not, be passed on to cardholders. Some organisations, including the Australian Consumers Association, have implied that there are potentially large savings to be gained by the banks if zero interchange is introduced.

It may be valuable to look at the extent of savings that could be achieved if zero interchange fees were introduced on EFTPOS transactions. A figure of around \$150 million per annum is paid by EFTPOS issuers to EFTPOS acquirers and is often used in public discussion as a potential saving should interchange move to zero. However, the bulk of this amount is transferred between the four major banks who are the largest issuers of EFTPOS cards to cardholders and are also the largest acquirers of EFTPOS transactions from merchants.

According to the RBA Bulletin on retail payments in July 2003⁸, the four major banks have an acquiring market share of 85%. This figure is a combined number for credit and debit with no separate number for EFTPOS alone. Similarly, the RBA puts the debit issuing share of the four major banks at 70%, without a separate figure for EFTPOS.

These debit figures would include some VISA scheme debit cards, most of which are not issued by the four major banks, however these are the most up-to-date market share figures available, and are therefore used in this discussion of potential savings.

As may be seen in the table below, the four major banks collectively pay out \$105 million in EFTPOS interchange fees to acquirers (70% of \$150 million). They also receive \$127.5 million in EFTPOS interchange fees because they are also the largest acquirers. **If EFTPOS interchange fees move to zero, the four major banks collectively would be \$22.5 million worse off.**

	Market Share	Interchange Fees (\$ mill.)
Four major banks	Acquiring 85%	+127.5
	Issuing 70%	- 105.0
		+ 22.5
All others	Acquiring 15%	+ 22.5
	Issuing 30%	- 45.0
		- 22.5

EFTPOS Issuing and Acquiring – Balance of Payments 2002

All the other EFTPOS issuers in Australia are currently paying around \$45 million per annum in interchange fees in aggregate and are receiving around \$22.5 million from their EFTPOS

⁸ *The Changing Australian Retail Payments Landscape*, Reserve Bank of Australia Bulletin, July 2003, pp. 6-7.

acquiring operations. They would therefore be around \$22.5 million better off collectively each year if interchange fees move to zero.

Therefore the concept of a \$150 million “saving” being available to pass on to cardholders is completely invalid. The main point is that the cardholders of the four major banks have little or no savings available to be passed on to them if zero interchange were to be introduced.

In fact, the position of each of the banks varies according to their share of EFTPOS issuing versus their share of EFTPOS acquiring. For a bank with a large share of issuing and a smaller share of acquiring, they would be better off under a zero interchange scenario. For a bank with a large share of EFTPOS acquiring, they may be worse off than they are today. If a bank has relatively equal shares of the issuing and acquiring market, they would just about break even if zero interchange was introduced.

The big winners from zero interchange fees on EFTPOS would be the smaller EFTPOS card issuers who either do not acquire at all, or who have only a very small share of EFTPOS acquiring. Most of the credit unions and building societies would be in this group of winners.

While these smaller issuers may be in a position to pass some savings on to their cardholders, these cardholders are only a very small proportion of all Australian EFTPOS cardholders. For the majority of cardholders, there would be only a small amount of savings available from their issuing institution, or no savings at all, in some cases.

These smaller issuers include the same institutions who have focussed their issuing efforts in recent years on VISA scheme debit cards, encouraging their cardholders to press the “Credit” button on the PIN Pad in order to gain interchange income from debit card products by avoiding the EFTPOS system. This “overcharging” of interchange has been at the expense of Australian merchants, who have effectively been paying credit card interchange fees on debit cards, and the efficiency of the whole payment system. This has resulted in consumers paying higher prices than are necessary.

The Applicants stated at the recent Pre-determination Conference at the ACCC in Canberra that there might not be a complete pass-through of the savings to cardholders as they are already absorbing some of the costs.

In these circumstances, the likely outcome of zero interchange on EFTPOS transactions is that most EFTPOS cardholders would gain no benefit whatsoever.

4.2 Subsidy of EFTPOS Users

During the Pre-determination Conference, the Bank of Queensland said it disagreed with the ACCC finding that customers using “other” payment types would subsidise EFTPOS users. The Bank went on to say that data supplied by the Australian Retailers Association (ARA) showed EFTPOS to be cheaper than cash and said that therefore EFTPOS users are currently subsidising cash payers.

However, this data from the ARA was based on the current EFTPOS scenario with negative interchange. If interchange fees were moved to zero then the cost of EFTPOS to each merchant would increase by around 20 cents per transaction. The effect of this would be to make EFTPOS significantly more expensive than cash for all merchants.

4.3 Zero Interchange and Increased Usage of EFTPOS

The Applicants, the RBA and the Australian Consumers Association (ACA) have all said that a move to zero interchange will increase usage of EFTPOS relative to more expensive credit cards. It is hard to understand how this would happen and no supporting evidence has been provided by any of the above parties.

As is discussed in Section 5.5, the credit card reforms have already changed price signals to consumers and this is already reflected in usage rates (see later). **A move to zero interchange will not further alter the price signals as most consumers already pay no EFTPOS fees.** The statistics on fees paid by EFTPOS cardholders (with an average eight free ATM and EFTPOS transactions each month)⁹ makes it seem likely that the majority of cardholders currently pay no fees at all. This means a move to zero interchange is not likely to result in any benefits to cardholders whatsoever, and certainly no direct benefits.

Credit cards are now already more expensive than EFTPOS with increased annual fees, increased fees for loyalty programs and/or reduced benefits and with some merchants now surcharging credit card payers.

In terms of reducing costs (as opposed to just moving who pays the existing costs) and improving efficiency of the EFTPOS system, opening access and removing barriers to new entrants are more likely to have an impact than moving the interchange fee to zero. For example, in Canada the opening of access resulted in typical merchant fees for major retailers falling from around 15 cents per transaction when access was restricted to a small number of banks (prior to 1996) to around 5 cents per transaction today. **This was achieved with no change in the interchange fee** (the interchange fee was set at zero originally and has remained at zero).

Finally, the RBA has recently released figures showing that New Zealand (with a negative interchange fee for EFTPOS) has the highest usage of debit cards per head of population of the major industrialised nations¹⁰. New Zealand's debit usage is almost double the rate of the next country (Canada, which has zero interchange) and is almost 3 times higher than the United States which has positive interchange. **This evidence simply does not support the argument that moving from negative interchange fees to zero interchange would increase EFTPOS usage.**

4.4 Competition and Small Institutions

The Financial Services Consumer Policy Centre (FSCPC) stated at the Conference that the proposed move to zero interchange would protect the smaller institutions (such as credit unions and building societies) who were worst affected by the credit card reform. The FSCPC believes this is important as they provide the only real competition to the big banks.

The ARA supports the efforts of the smaller institutions to provide alternative options in the market and their attempts to exert competitive pressure on the major issuers, providing this is not at the expense of the efficiency of the EFTPOS system.

⁹ *Discussion Paper: Options for EFTPOS Interchange Fee Reform*, EFTPOS Industry Working Group, July 2002, page 5.

¹⁰ *The Changing Australian Retail Payments Landscape*, Reserve Bank of Australia, July 2003, p.3.

In terms of issuing, the RBA figures indicate that competition is already increasing under the current interchange arrangements. The issuing market share for debit cards for the four major banks has fallen from 80%¹¹ to 70%¹² over the past 3 years. **It does not appear that the current interchange arrangements have provided any impediment for the smaller institutions to increase their share of debit issuing.**

Regarding competition in acquiring, the ARA believes that this is an issue related to access, not the interchange fee. The removal of the current barriers will allow new entrants as well as the existing small institutions to compete on a more equal basis with the large incumbent acquirers. Currently, most small institutions conduct their acquiring activities via a gateway connected to one of the major acquirers and this places them at a cost disadvantage before they start. Genuine review of the access regime, including the network architecture, has the ability to resolve this issue. Irrespective of the magnitude of the interchange fee, small acquirers using gateways will always be at a cost disadvantage relative to the major acquirers and will be unable to exert real competitive pressure on the majors.

4.5 RBA Issues

The RBA raised two issues at the Pre-determination Conference which need to be separately addressed.

4.5.1 Debit Card Growth

The RBA expressed concern regarding the relativity between credit card and debit card growth in Australia. The RBA said that in the rest of the world, debit cards are the fastest growing payment method whereas debit usage in Australia has flattened out and credit usage has grown at a faster rate.

This is not an accurate depiction of the current situation. It is true that debit card usage in Australia did flatten out during the late 1990's while, at the same time, credit card usage increased at a far stronger rate. However, this trend has now changed and debit usage is again increasing strongly.

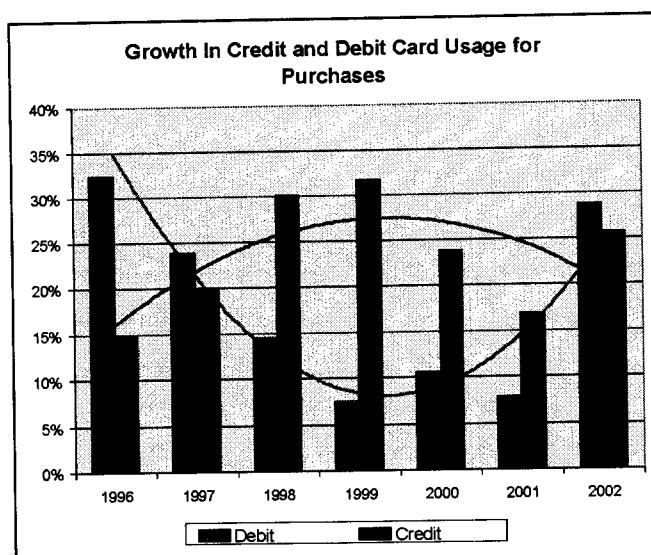
According to the RBA's own statistics¹³, debit card transactions increased by 29% last year (2002) compared to the previous year (2001), whereas credit card transactions increased by 26% over the same period. In other words, debit card usage is increasing at a faster rate than credit card usage. This is confirmed by the figures for May 2003 (the most recent figures available) where debit card usage was up by 4% compared to the same month last year while credit card usage increased by only 2%.

The relative growth in credit and debit card usage for purchases is clearly demonstrated in the graph below. In 2002, debit card usage increased at a faster rate than for credit cards for the first time since 1997. This relative increase in debit usage versus credit usage will maintain its growth as the RBA credit reforms continue to be implemented with consequent increases in charges by credit card issuers.

¹¹ *Debit and Credit Card Schemes in Australia: A Study of Interchange Fees and Access*, Joint Study by the RBA and the ACCC, October 2000, p.64.

¹² *The Changing Australian Retail Payments Landscape*, Reserve Bank of Australia, July 2003, p.6.

¹³ Data from RBA statistics - Tables C1 (Credit and Charge Card Statistics) and C2 (Debit Card Statistics), www.rba.gov.au



Growth in Credit Card and Debit Card Transactions in Australia¹³

It should be noted that one of the key reasons for the large increase in credit card usage over recent years has been the incentives offered by loyalty programs attached to the credit card programs. As the RBA itself has said:

*"The pricing of credit card services is sending consumers a quite misleading signal about the cost to the community of different payment instruments, ..."*¹⁴

and:

*"The price signals are further distorted for credit cardholders in loyalty programs, who are paid a rebate to use credit cards in preference to lower-cost payment instruments."*¹⁵

and:

*"Financial institutions promote the credit card most actively because it is the payment instrument for which they receive the highest return. At the same time, it is one of the most costly instruments for financial institutions to provide and one of the most expensive for merchants to accept. Price incentives are therefore encouraging the use of a relatively high-cost payment instrument over lower cost alternatives."*¹⁶

The RBA has subsequently introduced a package of reforms to be introduced under the Payment Systems (Regulation) Act 1998, including the creation of a pricing methodology for establishing the interchange fee for credit cards. This will take effect in October 2003, subject to the outcome of the current legal action by the card schemes against the RBA. The RBA has established designated "eligible" costs to be used for calculating the interchange fee level and the cost of loyalty programs is not allowed as one of these eligible cost categories.

¹⁴ *Reform of Credit Card Schemes in Australia – A Consultation Document*, Reserve Bank of Australia, December 2001, p.iv

¹⁵ *Ibid*, p.67

¹⁶ *Reform of Credit Card Schemes in Australia, IV - Final Reforms and Regulation Impact Statement*, Reserve Bank of Australia, August 2002, p.4

Now that the cost of loyalty programs will not be included in interchange fee calculations for credit cards, then the price signals should return to normal. With such artificial incentives for customers to use credit cards removed, there should be solid growth in debit card usage. The relativity between debit card usage and credit card usage should return to the situation experienced before credit card loyalty programs were introduced. This situation is clearly demonstrated by the figures in 1996 on the chart above.

Already many of the major credit card issuers have introduced changes in the pricing of their credit card programs. Issuers have raised their annual fees, cut back on reward program benefits and/or introduced or increased charges for participating in the loyalty programs. Additionally, some merchants, such as Qantas, have introduced surcharging on credit card purchases so that those paying by credit card pay a higher price than those using other payment methods. The combination of these changes has altered the pricing signals and already impacted consumer purchasing patterns, as was intended.

In other words, the cause of the wrong pricing signals (i.e. credit card interchange at levels which were too high) will be removed, correct pricing signals will be sent and efficiency in the card payment system will be restored. This is already happening without the need for any change in the EFTPOS interchange fee.

4.5.2 Setting of Interchange Fees

Another issue raised by the RBA at the Pre-determination Conference relates to the rationale for moving to a zero interchange fee. The RBA stated it strongly supported a move to zero interchange and that the purpose of interchange fees is to transfer costs and benefits. According to the RBA, interchange fees simply shift who pays and how that happens - consumers always pay in the end. The RBA said the introduction of a zero interchange fee will transfer costs and lead to more appropriate pricing signals relative to credit cards.

This position is at odds with the RBA's approach to credit card interchange, which is cost-based, and indeed the original objectives of the Joint Study into interchange fees by the RBA and the ACCC. The ARA cannot understand why the RBA would not apply the same cost-based approach to debit card interchange as it has to credit cards.

*"The Reserve Bank's standard on interchange fees would provide an objective, transparent and cost-based benchmark against which interchange fees in each designated credit card scheme could be assessed."*¹⁷

The Joint Study into card interchange fees also supported this cost-based approach.

"The objectives of the study were to:

- clarify the basis on which interchange fees are set, looking particularly at the role of costs"*¹⁸

In fact, one of the key findings of the Joint Study was that:

*"Competitive pressures in card payment networks in Australia have not been sufficiently strong to bring interchange fees into line with costs."*¹⁹

¹⁷ *Reform of Credit Card Schemes in Australia, IV - Final Reforms and Regulation Impact Statement*, Reserve Bank of Australia, August 2002, p.12

¹⁸ *Debit and Credit Card Schemes in Australia: A Study of Interchange Fees and Access*, Joint Study by the RBA and the ACCC, October 2000, p.4

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In conclusion, the Joint Study based its findings on data that was incomplete and on assumptions that were not always correct, such as the assertion that the direction of interchange fees for debit transactions in Australia was “unique” – it is not. No work undertaken by the RBA or the Joint Study has demonstrated there would be any public benefit by removing the interchange fee.

The proposed zero interchange rate appears to be an arbitrary figure and neither the RBA nor the Applicants have attempted to provide any cost-based justification for the rate to be set at zero. This approach is also inconsistent with the findings of the Joint Study which wanted the end users - the cardholders and the merchants - to be more involved in the pricing process.

*"The study has concluded that the interests of end-users of card payment services [cardholders and merchants] need to be more directly engaged in the pricing process and conditions of entry to card payment networks need to be more open than at present."*²⁰

This move to set the fee at an arbitrary zero rate has not involved the end users at all and nor does the Applicants' suggested approach for reviewing the fee in the future.

It should also be noted that the RBA's statement supports the argument that a move in the interchange fee on its own will not increase efficiency - it will just "shift who pays and how that happens".

It is the ARA's strong belief that the proposed move to a zero interchange fee for EFTPOS will not result in any net benefits to consumers and will not increase the efficiency of the EFTPOS system. Changes to the access regime, which should be considered separately to this application, will help achieve these benefits.

4.6 Other Issues

The Applicants made the point at the Pre-determination Conference that they were somewhat mystified at the rejection of their application for zero interchange because that is what the RBA (and the Joint Study) had said it wanted and they were simply responding to its wishes.

Two points need to be made in response to this. Firstly, whether the RBA wanted a particular outcome or not does not in any way justify a decision to authorise zero interchange. Unlike credit cards, the RBA has not designated EFTPOS and has not undertaken any broad consultative process nor rigorous study on costs or benefits which would result from designation.

Secondly the Joint Study findings in relation to the area of debit interchange were not "final" findings; further work was required to support the findings. When discussing interchange, the Joint Study itself said:

*Although financial institutions were generally unable to supply data in this area, preliminary figuring by the study suggests that these margins are not needed by financial institutions to earn their required return on capital.*²¹

As this suggests, the data on which the decisions were based was not comprehensive and therefore not reliable. In addition, the study completely excluded any costs associated with investment in EFTPOS infrastructure incurred by merchants.

¹⁹ Ibid, p.iv

²⁰ Ibid, p.v

²¹ Joint Study, p.74