

Daily banking news for Tyro Payments

Banking consensus on Eftpos fee shift

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The usual line-up of protagonists mailed, or emailed, in pretty predictable submissions to the Payments System Board over the PSB's plans to loosen the controls on the setting of interchange fees on Eftpos.

The PSB wants to remove the four cent to five cent collar on Eftpos interchange, paid from the issuing bank to the acquiring bank, and to allow banks to work out these fees for themselves, but constrained by the 12 cents cap, paid from the acquirer to the issuer, that applies to scheme debit.

On one side of the debate are ANZ, Commonwealth, NAB, the Australian Bankers Association and with support appearance from the highly specialised banks that look after small ADIs, Indue and Australian Settlements.

The Australian Payments Clearing Association and the industry newcomer, Eftpos Payments Australia Limited, both support the direction of the reform.

There were only two real players in opposition; both long time resisters and not yet vanquished. One is Tyro (a super, super specialised type of bank and a rare new entrant into the closed world of payments). The other is the Australian Merchants Payments Forum.

In no-man's land, stubbornly waving the freedom flag, is MasterCard Worldwide, which suggested the Reserve Bank jettison its rules of war and leave everyone else to sort it out.

These last three - Tyro, AMPF and MasterCard - engaged more interestingly in the debate with PSB, at least, and were among the few to offer up much original data and analysis.

Some of the usual suspects did not file submissions by the deadline, including Cuscal, Westpac and Visa.