

Card holders may face higher charges after a Eftpos revamp

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Debit card holders may face higher charges after a revamp of the Eftpos transaction system.
Picture: Mark Williams

SHOPPERS may face higher costs for using debit cards after Eftpos Australia admitted proposed changes to bank charges might be passed on to consumers.

In a backflip, ePAL yesterday sought to "clarify" elements of a media release, issued in August by chief executive Bruce Mansfield, which said that consumers would not face new charges.

This came after the nation's peak small business group warned consumers might be slugged as the transaction system was restructured so that retailers' banks would be charged five cents when a customer uses the electronic payments system in a transaction over \$15.

This would reverse the existing arrangement, whereby a cardholder's bank pays a five-cent fee to the merchant's bank on each transaction.

There were more than 2 billion Eftpos payments in Australia last year, accounting for about 84 per cent of all debit card transactions.

In a statement yesterday, ePAL said it had "no role in relation to the negotiation of charges set between an acquirer and the retailers it serves, or between retailers and their customers".

"It remains to be seen whether acquirers will pass part or all of any fee changes on to retailers, and what retailers may do in relation to their consumers as a result of any changes," ePAL said.

"It is therefore premature to state with certainty what impact the planned changes will have on retailers or then upon their consumers."

Transactions relating to charities, Medicare Easyclaim and purchases of less than \$15 will be exempt, as are payments made at Coles and Woolworths.