



# POAAL

POST OFFICE AGENTS ASSOCIATION LIMITED

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A.C.N. 636 382 314

1 July 2004

Head of Payments Policy  
Reserve Bank of Australia  
65 Martin Place  
SYDNEY NSW 2000

ATTENTION - DR JOHN VEALE

Dear Sir,

Reform of Card Payment Systems  
Consultation on Designation

Thank you for your letter of 11 June inviting POAAL's views on whether it would be in the public interest for the RBA to designate Australia's EFTPOS system and ATM system as payment systems.

POAAL's members are all small business people and are located in all areas, metro, regional and rural, in every State and Territory of Australia. They have little individual power or influence, and rely on POAAL to help protect, preserve and promote their business interests. We welcome the opportunity to put their views forward.

POAAL supports any move that brings to light fees levied by all industry players to the debit and credit card payment systems within the Australian retail industry, as well as improving competition and efficiency. The designation of the system within the RBA's powers would be welcomed provided such designation would in turn provide benefits to all participants. Such participants would include both providers and users of the system.

Fee transparency provides users with a clear picture and allows them the ability to make informed choices thereby ensuring that industry providers do not profit unreasonably or abuse market power positions. From this we would hope that market efficiency would evolve.

From our earlier discussions with your office, it appears to be the intention of the RBA to ensure that transparency and efficiency is maximised within the industry. POAAL supports the intention of the RBA to work towards improving the system as a whole. Efforts should be made to ensure fairness to small business given that we cannot be an industry provider.

Yours sincerely,

Marie McGrath-Kerr  
Chairman