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To: [Payments Consultation](#)
Cc: [Maynell, Blanche](#)
Subject: Consultation Paper on a Strategic Plan for the Payments System
Date: Tuesday, 28 February 2023 11:10:23 AM

Hi

We only became aware of this consultation very recently and aware that the closing date for submissions was 6 February.

However, we hope that the comments below can be taken into account in the development of the Strategic Plan.

We have a strong interest in payments systems and are a member of ASICS's Queensland Regional Liaison Committee.

We are happy to provide more information or respond to queries and wish to be added to the contact list of stakeholders interested in being further informed about and consulted on the Plan.

Please acknowledge receipt of this email.

Thanks

Ian Jarratt OAM

Queensland Consumers Association



COSTS TO CONSUMERS

Cost to consumers and businesses is only mentioned in the Accessibility Principle and in other places the emphasis is on ensuring that Least Cost Routing (PCR) is available and enabled for small businesses.

Given the information and power imbalance between consumers and businesses, the strategy also needs to include ensuring that consumers are not overcharged for making payments.

For example, the current requirement that merchants can not charge customers more than the cost of providing the payment service when using credit and debit cards has been very beneficial in reducing charges and cross subsidisation. And our submission on the recent Treasury BNPL regulation options paper we recommended that this principle also be applied to BNPL charges by merchants.

Therefore, we **recommend** that costs to consumers be included in the Accessibility Principle and in the Key Priorities.

FACILITATING CONSUMER USE OF PAYMENTS SYSTEMS

The Accessibility Principle does not satisfactorily address the need to ensure that payment systems are easy for consumers to use. The implication is that this will be the result of providing consumers with greater choice. However, in practice this does not necessarily result in systems that are easy for consumers to use.

For example, we have major concerns about the amount of work that can be involved for a consumer to identify all recurring payment arrangements with businesses and (if so desired) contacting them to update the card date and the CVV when a credit/debit card's expiry date occurs and another card has been issued. This also occurs if a card has to be replaced for some other reason such as loss, theft, etc. Consumers also may incur additional costs and other problems arising from failure to identify and advise some businesses of the new card details.

However, institutions are not required to automatically provide a customer with information about direct debits and recurring payments when cards are reissued or replaced.

Institutions should already have this information available to meet any requests from customers made in terms of the ABA Code or the e Payments Code, therefore we consider that they should be required (as some do) to automatically send that information to customers when cards are reissued or replaced.

Therefore, we **recommend** that facilitating consumer use of payments systems be included in the Accessibility Principle and in the Key Priorities.