

Submission Response: Costs to businesses and consumers of card payments in Aotearoa New Zealand: Consultation Paper

From: Alec Waugh <[REDACTED]>

Sent: Thursday, July 25, 2024 9:02 AM

To: Retail Payment System <PaymentsTeam@comcom.govt.nz>

Subject: Consultation on costs to businesses and consumers of card payments in Aotearoa New Zealand'

[REDACTED]

This submission is from both an individual and organizational viewpoint.

I am a Village Resident,(98/357 Lower Queen St, Richmond, Tasman 7020) and also in my capacity chairman of retirement income group **KASPANZ**. KiwiSaver, Annuities, New Zealand Superannuation, Protection Society Incorporated . www.kaspanz.com a retirement income service group.

Submission

As a consumer we want simple regulation on this topic, we do not believe competition is achieving best practice.

*A **set** fee i.e., within the range of 0% -.75% would be consumer helpful, re credit card surcharge issues.*

We understand EFTPOS cards do not charge a fee, nor debit cards but are wary of service payment creep, camouflaged under other guises, for debit cards may be emerging?

The regulatory standard should apply to all credit cards including American Express Card , Diners Card , who often are outside of the legislative intent, without publicity as to why and why not? Universality is important for both consistency, practice comparison and consumer awareness and understanding .

Any departure from the regulation standard e.g. currently American Express, should be visibly shown and available to consumer to enhance both knowledge and consumer choice practice.

From the consumer perspective, a wide spread belief was the lowing of fees and consistency was about to be achieved a couple of years ago, (November 2022, the Retail Payment Systems Act). Consumers thought that a standardised surcharge (if to apply at all) was to happen, but this has not occurred. I note on July 23,2024 economist Brad Olsen on ZB talk-back commented that he thought this was already in place, which shows how even the economically educated are not always up to date on a topic.

Action is required, noting NZ is again somewhat of an outlier on this costing, compared to OECD countries and we are also a low wage open economy, where these costs should be less than wealthier countries.

Sincerely

Alec Waugh: Chairman Kaspanz and also as a consumer in my individual capacity