

## HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

### REVIEW OF THE FOUR MAJOR BANKS

#### Westpac Banking Corporation

**WBC50QW:** For each provider, provide the following information based on the method of calculation for each merchant category type in your debit Acquiring portfolio:

- (a) Contracted provider (e.g. Visa)
- (b) Interchange fee (e.g. 0.04 per transaction)
- (c) Scheme fee based on an \$40 transaction (e.g. \$0.01 per transaction for first twenty transactions, then \$0.02 for every transaction thereafter)
- (d) Acquirer costs and margin (e.g. 1 per cent of transaction)
- (e) Any other cost (i.e. any fee not listed above)
- (f) Any 'profit' or 'premium' charged in addition by the bank that is passed onto the merchant (i.e. any fee not listed above)
- (g) What is the total retail cost charged to merchant customers for each merchant category and each debit scheme, not including volume incentive payments for the following transactions:

- (i) \$5
- (ii) \$20
- (iii) \$40
- (iv) \$100
- (v) \$1,000

(h) What is the total Acquiring wholesale cost for each merchant category and each debit scheme, not including volume incentive payments for the following transactions?

- (i) \$5
- (ii) \$20
- (iii) \$40
- (iv) \$100

(v) \$1,000

**Answer:**

(a) Eftpos, Mastercard and Visa.

(b) The relevant interchange fees and charges are available on the scheme websites:

Eftpos – <https://www.eftposaustralia.com.au/about/interchange/>

Mastercard - <https://www.mastercard.com.au/en-au/about-mastercard/what-we-do/interchange.html>

Visa - <https://www.visa.com.au/about-visa/interchange.html>

The remaining parts of this question are commercially sensitive.