

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

29 May – 31 May 2012

Question: BET 181

Topic: Changes to EFTPOS

Hansard Page: Written

Senator RYAN asked:

181. Have ASIC investigated changes to EFTPOS transaction fees?

- a) If so, was this investigation initiated by ASIC?
- b) What was the nature of ASIC's investigations and how long did the investigations take?
- c) What were the findings of the investigation?

Answer:

ASIC has not investigated changes to the fees associated with EFTPOS transactions because ASIC does not have jurisdiction over this matter.

The EFTPOS system is a designated payment system under the *Payment Systems (Regulation) Act 1998* and designated payment systems are excluded from the definition of financial product in the *Corporations Act 2001*(s765A(1)(j)) and the *Australian Securities and Investments Commission Act 2001* (s12BAA(8)(e)).

The Reserve Bank of Australia has primary responsibility for regulating the EFTPOS system and released a consultation paper on 12 June 2012 on future options for EFTPOS interchange fees and access to the EFTPOS system – including on whether an interchange fees standard and/or an access regime are required.

- a) Not applicable.
- b) Not applicable.
- c) Not applicable.