

## Jahnavi Manubolu

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**From:** Karl Christensen [REDACTED]  
**Sent:** Friday, 11 December 2020 10:32 a.m.  
**To:** Competition Policy  
**Subject:** Contactless fees

I am a small business owner, employing between 14-18 staff due to seasonal fluctuations.

We have always accepted credit cards, swipe only because this allowed us to charge our merchant fee which increased prior to covid 19 from 1.65% (hosp association discount%)

To 1.85%. Contactless payment wont charge the fee at pos

So we would have to pay the fee which is 2.1%.

Once covid hit I emailed my bank several times requesting a fee reduction to allow us to use paywave. The bank responded 2 weeks after entering level 2 to say they would wave the fee, however after setting up paywave I discovered I was being charged the full amount nearly \$2000 the first month and then \$2300 the next month after I contacted our bank, they told me that our projected revenue would exceed the 500k limit therefore they couldn't wave the fees or reduce the fee. 99% of our customers were now paying by paywave so naturally the paywave take was higher so the banks made an absolute killing.

Prior to covid 19 our average monthly merchant credit card fee was 500-750 per month and we could charge that at pos to the user.

The paywave fees came directly out of our pocket approx \$7500

Until I have now deleted paywave. I can now charge the fee for all credit card transaction programmed into the terminal.

If the fees are necessary why cant the hardware and software developers come up with a program to allow the fee to be charged on all paywave transactions.

Another point to note is that many small retailers don't accept credit cards at all.

Only because of the fees.

1. Give businesses the tools to charge the fee to the customer contact free.
2. Bring our bank services in line with other countries I.e.Aussie, UK etc..

Sincerely Karl Christensen  
[REDACTED]