

Hi,

My name is Klaus Bartosch. I am the person responsible for starting the change.org/jetstar petition that objects to the ever increasing and outrageous credit card surcharges in Australia. This petition now has over 105,000 signatures! The petition is not just about Jetstar. They just happen to be the worst offenders in Australia at this time and are leading the way for other Australian retailers to follow their lead.

I have consistently argued that the advertised price should be the advertised price. Credit Card Surcharges are almost a uniquely Australian phenomena. It almost doesn't exist anywhere else in the world, and many countries have simply banned it.

It began in Australia by Cabcharge who have for decades been charging 10% for payment made by credit cards in cabs in Australia. Then about 2-3 years ago it started to be adopted by other retailers.

The reason that I have chosen to make the campaign about Jetstar is simply that they are by far the worst offender, with credit card surcharges (they prefer to call them "booking fees", but we are not fooled), that range from 20% to sometimes 100% of their advertised fares. I think we all expect better of big brands like Jetstar, especially when they are wholly owned by such an icon like QANTAS. Now we are seeing these charges pop up everywhere, in Caltex service stations, major hotel chains, restaurants and smaller retailers.

Credit cards have been charging merchants a fee for the use of these cards for decades. These fees are typically less than 1% (Amex and Diners charge around 1.75-2.25%). These costs have typically been included as part of the "cost of doing business" for decades.

The FSI report recommends options for consideration to changes to payment systems is motivated by a desire to help Australian's choose what payment system they want to use and pay whatever the appropriate transaction fee should be, in the belief that retailers will lower their prices to exclude the included cost of these fees.

Of course we all know what really happens. The cost of all of our goods and services will simply go up by at least 1-2% or more as these charges will be added each time we choose to pay by credit card. The prices will not change, that is, they will not magically go down just because a transparent system is implemented. Our overall cost of living for all services including electricity, mobile phone, water, rates, rent, petrol etc, will ALL go up as retailers on mass levy these new charges once legislated by government that they are free to do so.

I plan to attend the public forum in both Brisbane and Sydney this week to voice my concerns, and I know others from the petition plan to join.

I respectfully request that the FSI committee recommend the following:

- 1) That credit card surcharge fees should be banned in Australia
- 2) That the published price should be the published price

- 3) That the impact of including these charges will be that our cost of living will go up by at least 1-2% across the board for all goods and services
- 4) We will have no transparency regarding the so called "reasonable cost of recovery for surcharging", and therefore retailers will go rampant with these fees if allowed to
- 5) That the published price should be the published price, inclusive of ALL charges relating to the purchase, with perhaps the only exception being "premium cards" like Amex, whom we know charge 2-3 times the fees of other credit cards. But even this needs to be managed or everyone will start claiming their cards are premium cards
- 6) "Booking Fees" should similarly be banned. They should simply be included in the published price. Its just another form of misleading people about the cost of what you are buying.

If these charges are not applied elsewhere in the world, then why do we believe they are appropriate in Australia? Australia is already one of the worlds most expensive countries to live in. Credit Card Surcharges will just make it worse.

The fact that over 105,000 Australian's have already signed this petition is a clear powerful voice of the people of Australia. This email letter therefore carried the weight of these supporters.

I would be happy to meet to assist further to drive these outcomes within government. My contact details are below.

best regards,

Klaus Bartosch