

**Indue Limited 2007
Church Funds &
Charities Summit
31 October 2007**

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Reserve Bank of Australia**

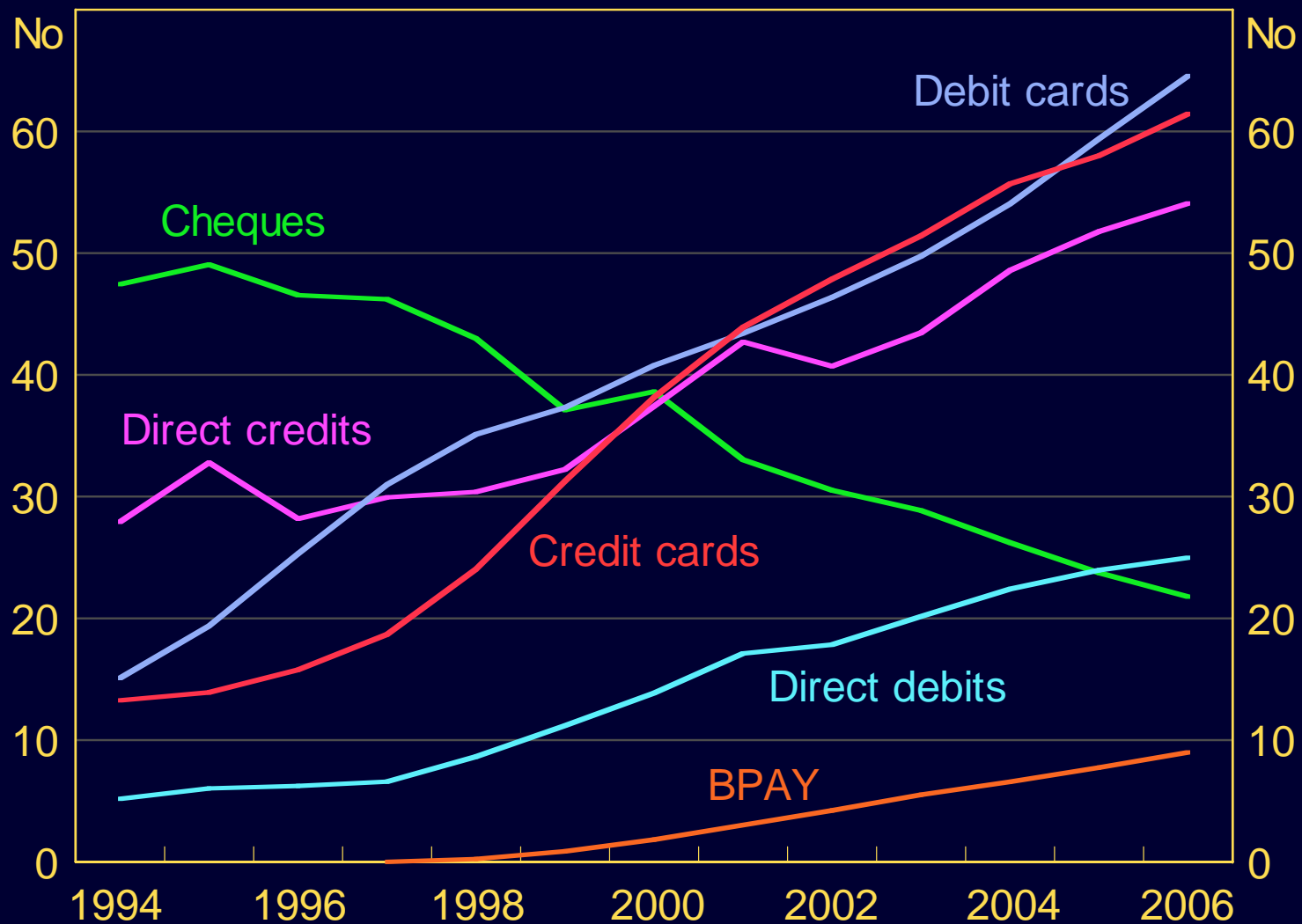
Australian Non-Cash Retail Payments

Year to June 2007		
Per cent of total		
	Number	Value
Cheques	8.6	14.1
Direct debits	10.6	34.8
Direct credits	23.5	47.8
Debit cards	27.7	0.8
Credit cards	25.7	1.5
BPAY	3.9	1.1
Total	100.0	100.0

Sources: BPAY; RBA

Non-cash Payments per Capita*

Per year



*Apart from BPAY, data are based on the RBA's Retail Payments Statistics from 2002. Prior data come from APCA and the RBA, and have been adjusted for differences between these sources and the Retail Payments Statistics.

Sources: ABS; APCA; BPAY; RBA

Australian Non-Cash Retail Payments

	Average value (\$)
Cheques	4 039
Direct debits	8 062
Direct credits	4 965
Debit cards	68
Credit cards	138
BPAY	671
Total	2 446

Sources: BPAY; RBA

Cheques

2006/07

	Share by number	Share by value	Average value
	Per cent	Per cent	\$
Personal*	32	13	1 646
Commercial	65	61	3 795
Financial institution	3	26	33 124

•Includes agency cheques issued through credit unions and building societies
Source: RBA

Transaction Products Held by Australian Adults*

Average for year to March 2006

Per cent of adult population that have a:

Deposit account	97
Debit card	91
Credit or charge card	55
Bankcard, MasterCard or Visa card	52
American Express or Diners Club card	9

* Aged 18 years or older
Source: Roy Morgan Research

Credit and Debit Card Accounts

June 2007

Number of accounts

Credit (million)* 13.5

Debit (million) 27.0

Advances outstanding*

Total (\$ billion) 40.8

Accruing interest (\$ billion) 29.1

Average total outstanding per account (\$) 3 014

* Includes credit and charge card accounts

Source: RBA

Number of Card Payments

Year-on-year growth



Source: RBA

Value of Card Payments

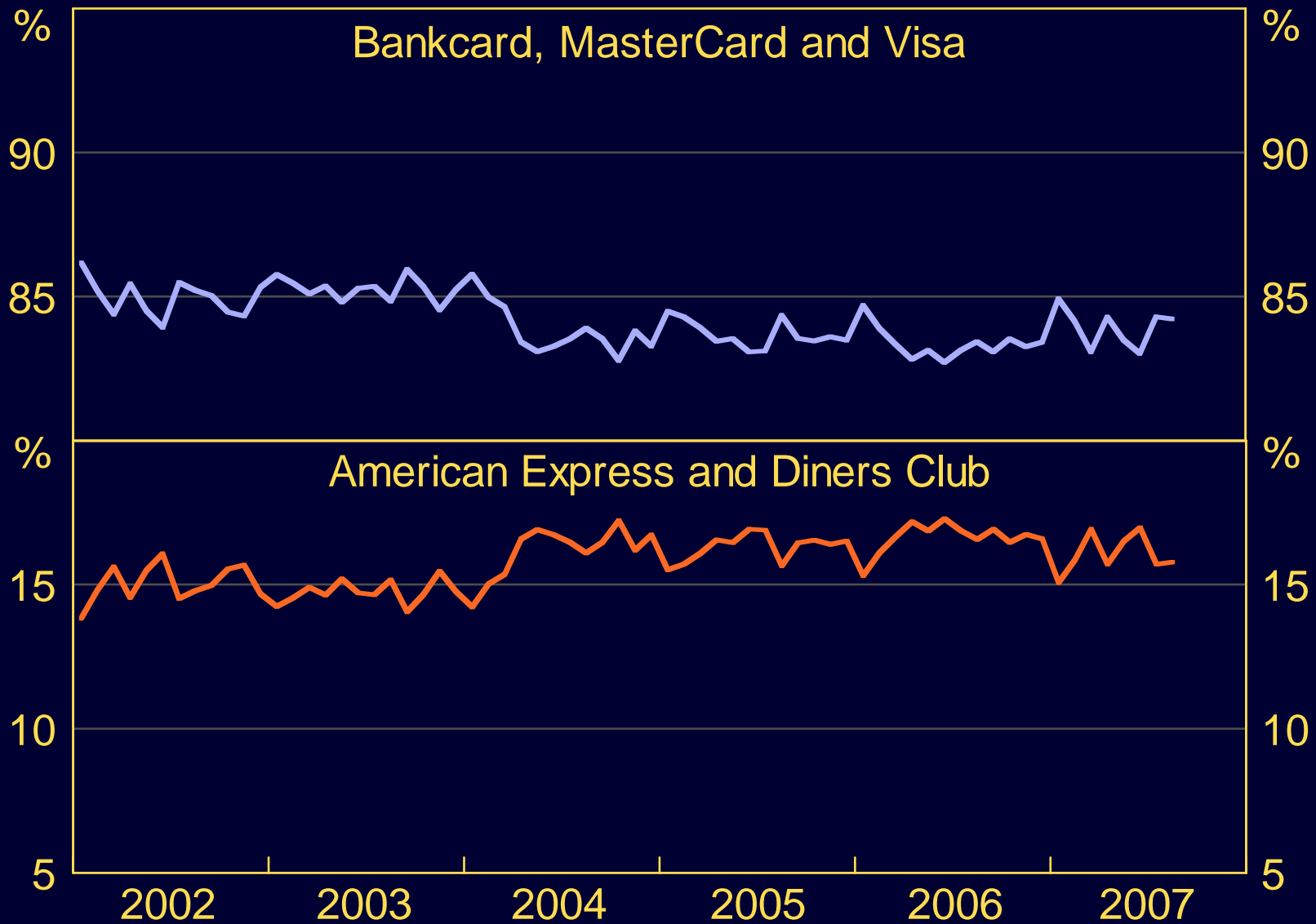
Year-on-year growth



Source: RBA

Market Shares of Card Schemes

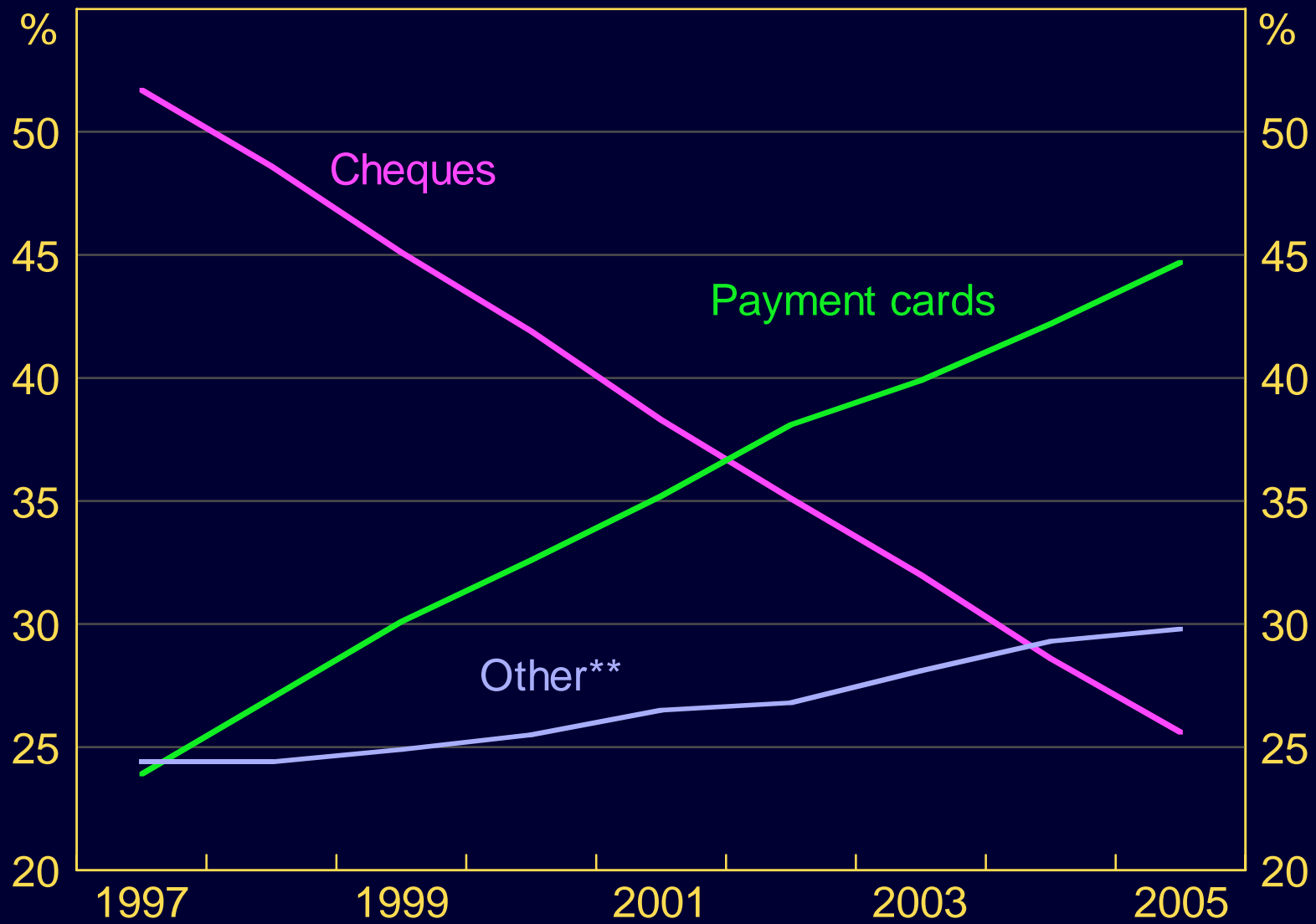
By value of purchases



Source: RBA

Non-cash Payments - International*

Per cent of non-cash payments



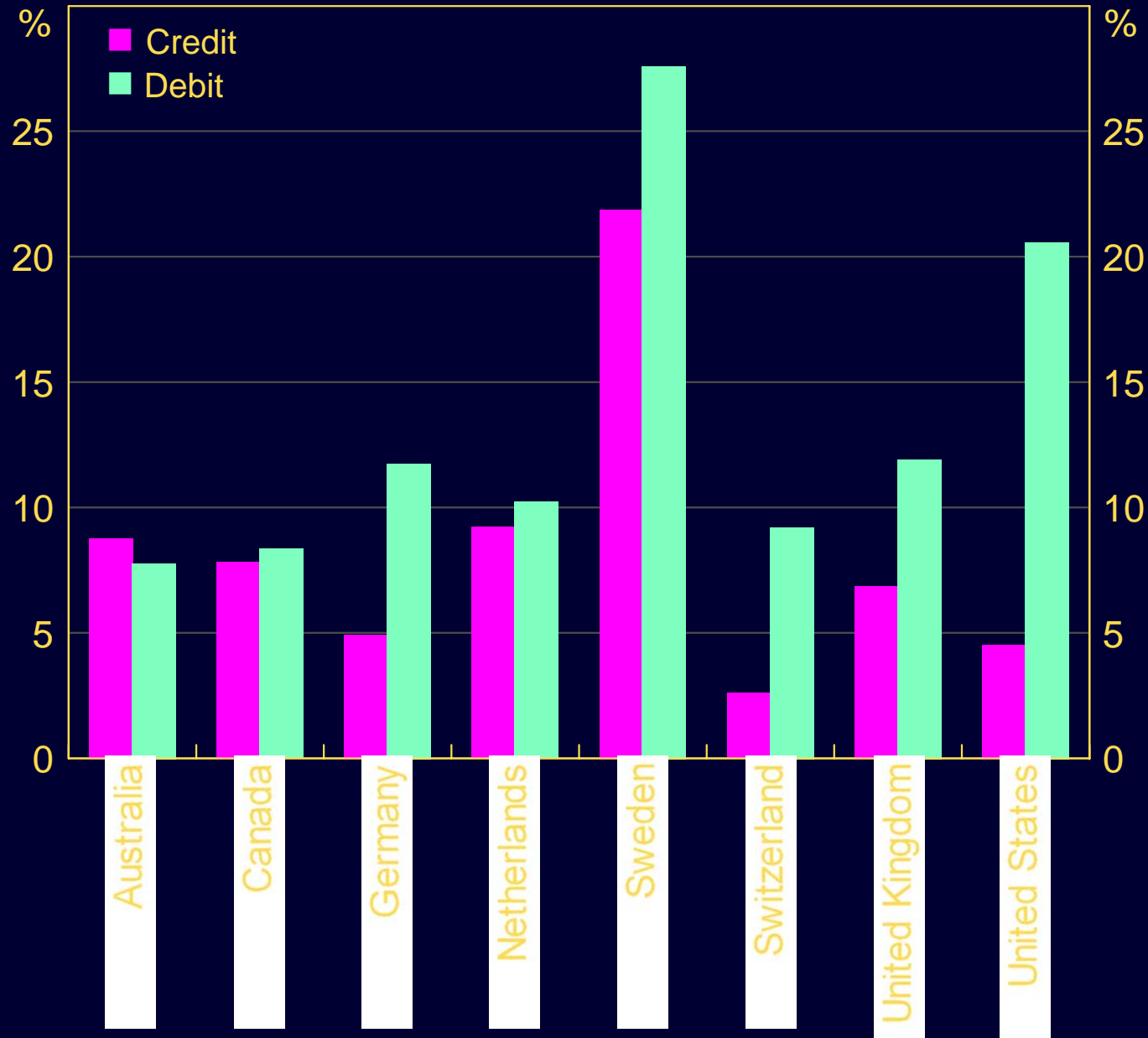
* G10 countries, plus Hong Kong and Singapore

** Includes direct credit, direct debit and e-money transactions

Source: BIS

Credit and Debit Card Payments per Capita

Compound growth per annum, 2000-2005



Sources: ABS; APCA; BIS; RBA

Non-cash Payments – Selected Countries

Per cent of non-cash payments, 2005

	US	UK	Netherlands	Australia
Cheques	37	14	0	11
Direct debit	8	20	27	11
Direct credit	6	22	32	26
Debit card*	25	30	39	26
Credit card	23	15	2	26

* Includes e-money

Source: BIS

Costs to Merchants

☐ Cheques

- manual nature
- no guarantee of payment
- fees

☐ Direct debits

- no guarantee of payment
- costly if rejected

BUT

- low cost
- automated

Costs to Merchants

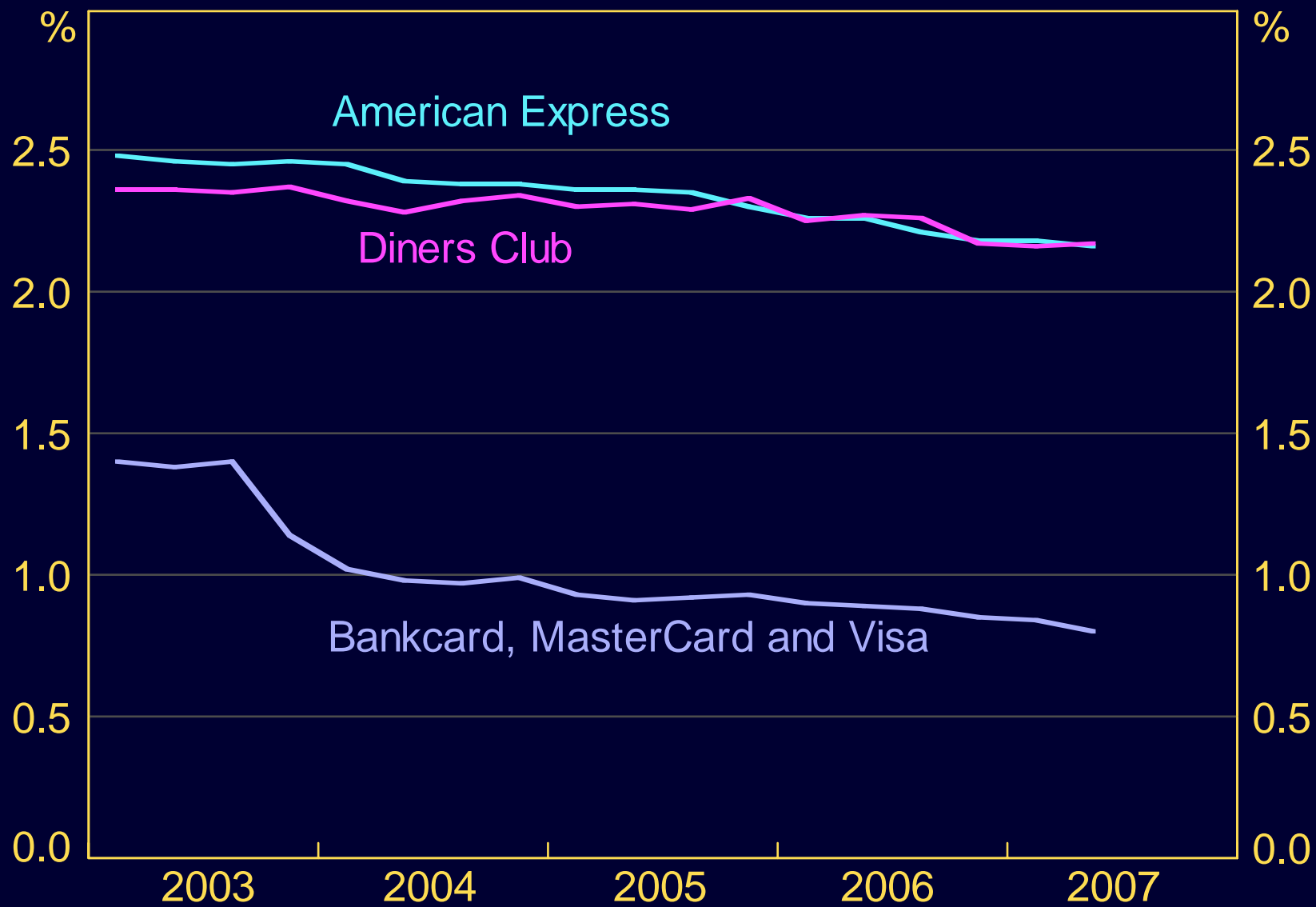
- Credit cards
 - merchant fee

BUT

- guarantee of payment
- can automate

Merchant Service Fees

Per cent of transaction values acquired



Source: RBA

Merchant Service Fees

- Two components for MasterCard/Visa
 - interchange fee
 - acquirers' margin
- Interchange has declined
 - 0.95% average in mid 2003
 - 0.5% average in 2007
 - 0% for charities for MasterCard/Visa
- Fees for Amex/Diners also declining
 - 2.45 to 2.16 (Amex)
 - 2.35 to 2.17 (Diners)

