

## HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

### REVIEW OF THE FOUR MAJOR BANKS

#### CBA

**CBA06QON:** CHAIR: What time frame would that be?

Mr Comyn: I believe it's over this financial year, but I'd need to double-check that for you.

CHAIR: That would be good if you could do so. Since you have the technology, have the capacity, what is the rate of deployment so far as a share of the overall use of merchant facilities?

Mr Comyn: I'm sorry, I'd have to take that on notice. I think we moved to lowest-cost routing about three or four months ago. I'd have to check and determine what proportion now are on that as a default option.

**Answer:** The CBA solution to Least Cost Routing (LCR) is called Merchant Choice Routing (MCR) and allows the merchant to choose settings suited to their individual business circumstances. In general, all customers currently have the option of MCR as they either have an enabled device with MCR as a default, or if they don't, CBA will upgrade to an MCR enabled device at no cost when requested by a merchant.

We have published information about the availability of MCR (including on the Commbank website <https://www.commbank.com.au/business/merchant-services/merchant-choice-routing.html>). At this stage a small proportion of merchants have taken up MCR.

CBA is currently enabling MCR on our legacy terminal devices (excluding Albert) progressively from February 2020. This will be completed on all non-Albert devices by the end of the financial year. A replacement device that supports MCR is available to customers that have an Albert device.

There are some large corporate and institutional customers who may not be able to have MCR as a default due to individual needs that require a specialist terminal solution.