



Tony's Take – Economic commentary from BNZ Chief Economist Tony Alexander

There are two big threats to levels of consumer spending – rising unemployment and rising interest rates. Are either in prospect in New Zealand in the short-term? Given the support for our pace of economic growth from slightly above average world growth, tourism, construction, a fiscal stimulus, health sector, IT etc. It seems reasonable to expect continued strong demand for staff. People in fact are already in short supply so worker job confidence and security levels look like they will remain elevated as the unemployment rate falls over the next three years.

But with such a firm economy short of resources we would normally warn about rising inflation and rising interest rates. But courtesy of the technological revolution we are living through and changes in the labour market, wages growth is failing to accelerate around the world and business pricing ability has plummeted, although there are exceptions like airlines, insurance etc.

Both employment and interest rates will remain supportive of continued good growth in consumer retail spending over the next few years. That does not however mean pressures on retailers from increasingly choosy customers and rising online offerings will ease. Such pressures are virtually guaranteed to increase.

Any questions?

If you have any questions about your merchant facility or need some help please contact our Merchant Helpdesk on **0800 737 774**, option 4.

Manual offline Eftpos vouchers are being removed from the market on 31 July 2018

If your business uses manual offline vouchers via a zip-zap machine to accept Eftpos cards when your Eftpos terminal can't connect to the Paymark network – this change impacts you.

Today, only a very small number of businesses use manual offline vouchers, with most choosing to instead use Electronic Offline Vouchers (EOV) which can be processed directly from the majority of Eftpos terminals. As a result, Eftpos manual offline vouchers are being removed from the market. If you are still using Eftpos manual offline vouchers, please be aware of the final date for service.

Tuesday 31st July 2018 is the last day to process manual offline vouchers

You will no longer be able to use manual offline vouchers to accept Eftpos cards. Manual offline vouchers processed after this date will be dishonoured.

This change only affects Eftpos manual offline vouchers for transactions made using proprietary Eftpos cards. Sales vouchers processed via zip-zap machines for credit cards, and Visa and Mastercard debit cards are not affected by this change and will still be processed as normal for the time being.

Benefits of Electronic Offline Vouchers (EOV)

With EOV, your business does not have to come to a standstill should connectivity to the Paymark network be lost. Even when your terminal can't connect to Paymark, transactions can still be processed safely through your Eftpos terminal and are automatically uploaded to Paymark as soon as your connection has been restored. To find out more about EOV, contact your terminal provider.