

Tips for Travellers - Money

Stories abound about the number of pickpockets in the major cities in Italy. One precaution that I have taken is to purchase a money-belt that goes around the waist under your clothing. The thing that I find is that whilst this is good for storing items such as credit cards and money, it cannot really be used for each transaction as it is difficult to access and it immediately indicates to all where your valuables are stored. I find it best is to carry my wallet with me in a secure pocket, but to only put a small amount of cash in it and only one credit card, with the surplus money/cards in the belt. If you need to add or remove items from the belt, this can be done in the restrooms or a quiet place.

ATMs (bankomats) are very common in Italy. Funds can either be withdrawn from your cheque or savings account in Australia if you have a card with a "Maestro", "Plus" or a "Cirrus" symbol on the card and you have asked your bank to link your account to the card. These links can be to one of your credit cards or to a specific card that is used only to access your bank account and not used as a credit card, such as a "Flexicard" by the NAB or KeyCard by the CBA. Whilst the former sounds appealing as it reduces the number of cards that you have to carry, beware. ATMs are not particularly sophisticated and they may have difficulty in determining which account funds are being withdrawn from – regardless of what it says on the ATM receipt. If you withdraw funds from your credit card account, then charges are immediately incurred. It is treated by the bank as a cash advance, and any purchases that you have on the card incur interest charges. If you use the Flexicard or KeyCard then you can be sure that funds are coming out of your cheque or savings account and not being charged to your credit card.

If withdrawing funds from an ATM then check with your bank as to the maximum per day that can be withdrawn. It is typically about \$1000 per day and the day is calculated from midnight Australian Eastern time, not the time in Italy. There is a charge for withdrawing funds, often about €2 per transaction, and also for checking your account balance, so unless you have a burning desire to find out your account balance, don't do this as a routine practice.

I have found that bank charges for overseas transactions for purchasing goods on Visa or Amex are extremely high. After learning this, I researched the various banks and other institutions as to what products they had to offer. The best ones I have found are from the various banks, and more recently, Qantas.

The cards from the banks are all fairly similar, but the best one that I have found is a card by the ANZ Bank called: "Travel Card". You do not have to be an ANZ customer, but if you aren't then you need to provide 100 points of documentation before you can purchase one (normally your passport and your driver's licence will suffice). Details can be found at: www.anz.com/travelcard. The cost of the card is \$11 and it does not cost you to put cash on it when you initially load it. Cards can be loaded with up to ten different currencies, including: US dollars, Australian dollars, British sterling and Euros. They are linked via the Visa network, so any store or seller that takes Visa will take one of these cards. You just use it as a normal debit card with a chip, enter your PIN in to the credit card machine and it debits off the card the cost of the purchase. There is no charge for making purchases. Your PIN number is used both for making purchase or withdrawals and also to check your balance on the internet any time. Cash can be withdrawn at a Visa-friendly ATM and the cost is €2.10 for each withdrawal. You can load the card via the internet by making a BPay payment from

any of your accounts in Australia. The cost of reloading your card is 1.1% of the funds. It does take 4-5 days to make the transfer from your account when topping up the card, so you need to be a bit organised as to when you are likely to need to reload. The cards lasts for 3 years and there are no annual fees. You are issued with a secondary card that you must keep separate. If you lose the primary card you use the secondary card which then makes the primary card inactive. You can use the card on line in Australia to buy things on line from Italy (or anywhere in the world) with no international transaction fees.

Qantas Cash Cards can be obtained over the internet as long as you have appropriate documentation such as your Passport and Drivers licence or if you are already a Qantas Frequent Flyer. Cards be loaded via the internet using BPay, in a manner similar to the ANZ Travel Card. Each card can also be loaded with multiple currencies. There is no purchase fee and no fee for re-loading the card (which is better than the ANZ Travel Card who charge 1.1% to reload). The exchange rates for Qantas Cash are generally better than the ANZ Travel Card. It is linked via the MasterCard network so can be used at any establishment that uses MasterCard. Withdrawals can also be made at banks who use MasterCard linked ATMs. Further details can be found at:

<http://www.qantascash.com/>.

Travellers' cheques are rarely used these days and there are often significant charges for changing them, so I don't think that they are worth the effort.

PayPal is a way of paying for services using PayPal as an intermediary between you, your bank and the merchant. You need to open an account with PayPal, which is linked to your credit card. You indicate to the merchant that you wish to use PayPal and you then pay PayPal for the transaction and PayPal then debits your credit card for this amount. It sounds a little confusing and you may ask: why bother? The benefits are that PayPal usually have some form of insurance so that if the merchant does not deliver the goods, then PayPal will reimburse you. To me, the major benefit is that you are billed in Australian dollars and you don't have to pay any expensive international fees such as those if you use Visa or Amex directly. It is certainly a much easier way to pay foreign fees, such as accommodation or school fees than having to get an international money order. It is probably not that much use to you whilst you are away, but it is good for pre-paying some of your overseas expenses before you leave home. Recently I used PayPal whilst I was in Italy for some on-line transactions and they would not honour the transaction until I could prove identity, as they were concerned it was a fraudulent transaction. Forwarding copies of scanned driver's licence and Passport were all that were necessary for them to process the transaction. It is important to be able to access electronic copies of documentation such as this from your email account or from cloud storage whilst you are away. This could have been prevented had I advised PayPal that I was going overseas. This can be done on line.

When leaving the country, you can use any excess cash in the duty free shops and pay the balance with your travel or credit card – or alternatively keep the cash for your next trip!