



INTERNATIONAL TELECOMMUNICATIONS  
COMPANY OF THE YEAR - BUSINESS SERVICES



4 April, 2003

Mr Tim Grimwade  
The General Manager  
Adjudication Branch  
ACCC  
PO Box 1199  
DICKSON ACT 2600

FILE No:

DOC:

MARS/PRISM

Dear Mr Grimwade,

**Re: SUBMISSION IN RESPONSE TO THE ACCC INQUIRY INTO EFTPOS CHARGING**

I appreciate that the closing date for this Inquiry was 21 March, but would appreciate, if possible, the consideration of the following comment.

Macquarie Corporate Telecommunications (MCT) provides telecommunication and data services exclusively to the corporate market. Whilst MCT has no direct involvement in the proposed fee arrangement and therefore will not comment directly, MCT believes it is in the interests of the Commission and the consumer to be aware of the telecommunications arrangements behind the provision of Eftpos services.

Keycorp dominates the Eftpos market and has arrangements with all the parties seeking authorisation. Telstra has a majority share in Keycorp. Eftpos services operate over telecommunication services.

When parties, generally retailers, purchase Eftpos services from Keycorp they are required to access the services over a Telstra Retail ISDN service. Keycorp will not provide Eftpos services over any other service including non Telstra ISDN services and Telstra Wholesale ISDN services resold by another service provider.

Keycorp's refusal to provide Eftpos services other than over Telstra Retail ISDN allows monopoly pricing to be applied to the ISDN component of the Eftpos service. The restriction also allows Telstra to bundle other telecommunication services (including all voice, data and mobile services) onto the mandated ISDN service. This provides Telstra Retail with a competitive advantage over other telecommunication providers.

MCT therefore believes that in the interests of competition in the telecommunications market and to reduce the cost of Eftpos services to subscribers, the ACCC should as part of its decision include an undertaking that carriers other than Telstra Retail must be able to bundle EFTPOS solutions.

I would be most willing to provide further information and discuss this issue further. Please feel free to contact me on 03 9206 6883.

Yours sincerely,

MAHA KRISHNAPILLAI  
National Executive, Regulatory

Cc: Mr Michael Cosgrave, ACCC (Victoria) - Fax: (03) 9663 3699

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