

Level 2
120 Pitt Street
Sydney NSW 2000
Australia

GPO Box 2719
Sydney

Telephone (02) 9312-7493
Facsimile (02) 9312-7601

Working Capital Services
Premium Business Services

Mr Tim Grimwade
General Manager
Adjudication Branch
Australian Competition & Consumer Commission
PO Box 1199
Dickson ACT 2602

FILE No:
DOC:
MARS/PRISM:

15 October 2004

Dear Mr Grimwade

**Application for revocation and substitution of authorisation lodged by the
Australian Payments Clearing Association (APCA) in respect of the
Australian Paper Clearing System (APCS) Regulations**

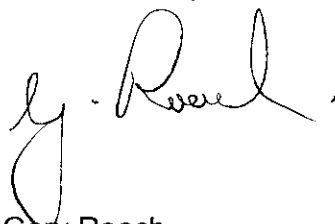
Thank you for your letter of 28 September 2004 addressed to Mr Bruce Munro. The Bank appreciates the opportunity to provide its views on this important issue.

The Bank supports the applications lodged by APCA in respect of APCS. The Bank shares APCA's views that the revocation and substitution as proposed will result in net public benefit.

It is the Bank's view that APCA is the appropriate forum for developing and setting technical and operational rules, and that maintenance and enhancement of the integrity and efficiency of APCA's paper clearing system, along with the mitigation of risks affecting participants, will be assisted by the Commission's favourable consideration of the APCA application.

The Bank participates actively in APCA's deliberations on these, and related, issues and supports the revocation of the existing APCS authorisations, and substitution of new authorisations in their stead (in relation to suspension and termination of APCS membership), as outlined within the APCA applications and supporting submission.

Yours faithfully



Gary Roach
Acting Executive General Manager

