

Roy, Lauren

Subject: Submission on Ebay/Paypal reported changes. [SEC=UNCLASSIFIED]

Categories: SEC=UNCLASSIFIED

ACCC Classification: SEC=UNCLASSIFIED

-----Original Message-----

From: William Willis

Sent: Saturday, 19 April 2008 2:32 AM

To: Adjudication

Subject: Submission on Ebay/Paypal reported changes.

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I believe that the changes proposed by Ebay/Paypal (Aust) are anti-competitive in that they force one method of payment, apart from personal pick-up where cash can be used. Their proposed method of forcing Paypal on all sellers also adds to the costs of the seller as many of the alternatives at present in use, don't have a set fee and may have none. (Most direct debits from Banks and Credit Unions).

I also believe it places anti-competitive practices in that it doesn't allow individuals to run and accept payment in a form that best suits their business, which is not the Australian way.

The reasons they give for the change are spurious in there is no proof that payment by Direct Debit is any less safe than payment through Paypal. They say Paypal is the only safe method but then they use Direct Debit as their payment method from the individual's bank or credit card.

As part of their agreement they can charge back to seller if the buyer is not satisfied, even if the seller can prove that the goods were delivered in a fit state. This can occur several months later and the seller has no recourse.

If a dispute is commenced, it can cost the seller money and even if proven the buyer was at fault, the seller doesn't get a full refund because charges are taken out of the money.

Paypal sets its own exchange rate which is often 2 or more cents in the dollar less than the current exchange rates for currency exchange. and being forced to use Paypal's currency exchange rate, costs both buyers and sellers up to 2% each, on each foreign exchange transaction. There is no competition if you are forced to use Paypal.

Thank you for accepting my submission.

William Willis

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