

**Roy, Lauren**

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**From:** Petreski, Sonya on behalf of Adjudication  
**Sent:** Tuesday, 22 April 2008 2:46 PM  
**To:** Chisholm, Shane; Roy, Lauren  
**Subject:** FW: Submission for Notification N93365 - eBay International AG [SEC=UNCLASSIFIED]  
**Categories:** SEC=UNCLASSIFIED  
**ACCC Classification:** SEC=UNCLASSIFIED

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**From:** Taraeta @ Aquarian Craft [mailto:taraeta@aquariancraft.com.au]  
**Sent:** Tuesday, 22 April 2008 12:16 PM  
**To:** Adjudication  
**Subject:** Submission for Notification N93365 - eBay International AG

Dear Sir / Madam

I wish to lodge an objection to notification N93365 lodged by eBay with the ACCC.

My main reasons for objection allowing PayPal as the only method besides pickup on [www.ebay.com.au](http://www.ebay.com.au) are as follows:

- PayPal Australia Pty Ltd (PayPal) ABN 93 111 195 389 has only been a registered in Australia since 30 Sept 2004
- During the last 4 years PayPal Australia Pty Ltd has changed its business location 4 times
- PayPal is a Proprietary Limited Company where the liability of the owners is limited to any unpaid portion of the face value of their shares
- PayPal was acquired by eBay in 2002
- That eBay is only enforcing the PayPal only option [www.ebay.com.au](http://www.ebay.com.au)
- That eBay will be charging fees both via eBay and PayPal separately on every single sale via eBay, these costs must be paid by the seller.
- If people do not have more than \$150 in their PayPal balance they are unable to access their funds without additional charge. Current cost is \$1 to withdraw any amount under \$150 from a PayPal account.
- Withdrawals from a PayPal account can take 5 to 7 business days to appear in the recipients bank account. Payments made by "e-cheque" ie funds are sourced from a bank account to make payment, can take 5 – 7 days to clear. This is a considerably longer processing time than via bank deposit between Australian Financial Institutions
- Some buyers on eBay use public computers, in the interests of internet security they choose to not to make financial transactions on such a computer. Currently these people can purchase on eBay then take away the bank deposit or money order details and make payment to the seller.
- Financial institutions who have provided eBay sellers with Merchant accounts will also lose revenue as sellers are no longer allowed to take customers credit card details for payment.
- Sellers are unable to recoup some costs associated with accepting credit card payments (Credit Card Surcharge) as payments made via credit card through PayPal are not covered.
- Sellers are unable to charge the customer any costs associated with receiving the PayPal payment (<http://pages.ebay.com.au/help/policies/listing-surcharges.html>) for items sold on eBay.
- Some buyers are not comfortable allowing PayPal to make withdrawals from their bank

account to make payments for purchases. In this case these buyers can currently choose an alternative payment method.

- By ensuring all transactions on eBay are performed by PayPal. Australian Financial Institutions (ie Banks and Credit Unions) will be missing out on revenue from customers who make online, over the counter or purchase bank cheques to pay for their eBay purchases.
- Australia Post will also be loosing out on revenue from customers who prefer to use Australia Post Money Orders to make payment for their eBay purchases.
- PayPal can freeze accounts and withdraw funds as they see fit if a complaint is made.
- In previous dealings with PayPal I have been unable to speak to someone in Australia regarding my concerns / problems / issues.

Living in rural Australia my husband and I actively use eBay on a regular basis to purchase items. These items are not available in our town and we sometimes would need to make a round trip of over 400km to purchase these items. As these items are for personal use we prefer to make payment via our bank account as these purchases form part of our household budget. My husband and I have a joint bank account that all household expenses are paid from. PayPal will not allow both of us to link our PayPal accounts to the same bank account. Therefore forcing one of us to use a credit card for transactions increasing our household debt. Some examples of items that we have purchased recently are lawn seed, winter clothing and sewing supplies (bobbins and rotary blades). None of these items could be purchased within a 100km round trip of our house.

While I feel that eBay does have the right to actively encourage, promote and prefer PayPal as a payment method, even as far to stating that it must be accepted on all listings. The forcing of all online payments via PayPal , with many customer including myself linking their PayPal account to a credit card will increase consumer debt in Australia.

Yours sincerely

Taraeta Nicholls

