

**Roy, Lauren**

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**From:** Petreski, Sonya on behalf of Adjudication  
**Sent:** Wednesday, 23 April 2008 9:09 AM  
**To:** Chisholm, Shane; Roy, Lauren  
**Subject:** FW: Submission re ebay proposed practice to force use of pay pal to exclusion of all other forms of payment [SEC=UNCLASSIFIED]  
**Categories:** SEC=UNCLASSIFIED  
**ACCC Classification:** SEC=UNCLASSIFIED

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**From:** Peter Harris [mailto:peterharris750@bigpond.com]  
**Sent:** Tuesday, 22 April 2008 5:42 PM  
**To:** Adjudication  
**Subject:** Submission re ebay proposed practice to force use of pay pal to exclusion of all other forms of payment

Submission re ebay proposed mandatory use of pay pal as only acceptable form of payment.

My name is Peter Harris and I reside at

I have been an ebay member since 29th. February 2004 .

**EXCLUDED FROM  
PUBLIC REGISTER**

My trading name is fiat510s ( you can now search my feedback rating on ebay) .

I have purchased many items both from within Australia and from overseas. I have used pay pal for most overseas transactions and found it to be an acceptable form of payment. I do note however that many sellers overseas refuse to use pay pal and when queried advised had bad experiences with pay pal.

Since February 2008 I have been selling and find that payment from buyers is costing a fair amount in additional fees if they use pay pal. Those within Australia that paid by pay Pal have indicated they were basically directed to the pay pal site after auction finished.

I have no problem with using pay pal as a tool to pay or receive funds from overseas however I do have a problem with being forced to use this service to the exclusion of all other lawful means of transacting my purchases or sales.

I ,like a great number of others sell only small price items and on an average only 1 in 6 items sell so listing fees to ebay for 6 items under \$20 is  $6 \times \$1.09 = \$6.54$ . If I sell one item for say \$18 ebay fees are  $5.25\% = 95c$ . Total ebay fees on a 1 in 6 sell ratio are \$ 7.49. If you add Pay Pal into the equation with their new directive every sale under \$20 will incur a fee of 30c plus another 2.4% of the total paid i.e Sale price \$18 (example)plus postage. If a 3 kg. postal bag is used ( good for books over 500 gm.) that is an extra \$ 9.30. So pay pal collects 30c. plus 66c nearly another \$1. Makes selling of small ticket items not very viable. In other words total charges ebay plus pay pal on items of about \$ 20 will cost another dollar.

It does not stop there. Pay pal will transfer your funds to your nominated bank ccount but this takes up to 5 days, and if you transfer less than \$150 there is another fee of \$1. so you leave funds until they exceed \$150 and this can take some time so pay pal has free use of money which they no doubt invest. I noted that the \$1 fees for transferring funds only applies in Australia.

Pay pal can also put a stop on your funds for no apparent reason and this can take quite some time to have your money released. Computer generated emails that you can't answer.

Pay Pal spin is that there will be more security and they are offering compensation of up to \$20,000 in lieu of the existing \$3000. I have only had one personal experience of trying to make a claim, but as I am not a Queen's Counsel it wasn't worth the effort. There are pages of exclusions and time limits to wade through and it seems to move through the process is very frustrating, hard to find next link etc. The other point is the amount of compensation \$ 20,000. There would be hardly any transaction that would even remotely approach that figure, so pay pal is pretty safe they will not be receiving many claims of that magnitude.

I consider that this new pay pal directive from ebay is a blatant effort to extract more monies from members and it appears to me to be very close to a closed shop monopoly.

If this arrangement is allowed to proceed it may well open the floodgates for other corporate bodies to try similar moves.

I request that you please give this submission your consideration and with a view to protecting a great number of small Australian buyers and sellers on ebay from being taken for a not so pleasant financial ride by a large international company.

I thank you for reading this submission. Peter Harris