

I wish to make observation about one comment contained in the applicant's latest submission to the ACCC.

In several places with substantial emphasis the applicant states that other platforms permit access to the NFC radio "without detriment to security".

This is not now true. In many instances amongst the security and cryptography community commentary exists that attackers have been able to exploit access to the NFC radio via the published APIs on the Android platform to make fraudulent and or unauthorised payments. There are many sources for the commentary discussing the attacks. Perhaps the easiest for me is to cite the Internet Organised Crime Assessment 2016, published by Europol. In it, on page 30, they make summary reference to the existence of these attacks.

https://www.europol.europa.eu/sites/default/files/publications/europol_iocta_web_2016.pdf

As such the applicants' assertion that security is not at issue in respect of access to the NFC radio, contrary to Apple Inc.'s view, ought not be accepted unconditionally, if at all.

Can I add my endorsement to the views expressed in other submissions regarding aspects of the application:

The analogue of the bank's position that each ought be entitled their own wallet application (and access to the NFC hardware) is that we all carry a separate wallet for each bank with which we do business. We have one wallet and carry all our transaction enablers in it. Nothing like the applicant bank's proposition. It is contradictory to the notion of ease of use.

The applicant bank's are conflating two distinct functions. Today, every user of an ATM card, for tap & go, and so on, do so in the context of payment for goods and services. It is a task separate and distinct from bank account management. These two things are done at different times in different situations and at different frequencies. The bank mobile applications allow a set of tasks to be completed that are unrelated to the act of purchasing. The ease of use of a centralised, instantly accessible card payment method equivalent for all bank accounts does not require or need the context of a mobile application whose strengths are in checking balances, transferring funds, and the like. The two things are separate tasks.

If the ANZ bank is able to sign an agreement in what is a simple commercial decision it simply illustrates that the other banks can too. How is it any more complicated?

Apple have stated that access to the NFC radio is not going to be made available to third parties. They have no legal requirement to do so. The argument arising from making the technology available must be moot.

Allowing the application will mean that for the next three years no Apple Pay will be available for a large number of Australian bank users. So they will not be able to choose between the competing Apple Pay offerings of the banks - because there won't be any. I fail to see any consumer benefit from that result. The rate of technological change means that three years is a long time.

One of the tenets of the applicant banks' proposition is that they want to negotiate to deliver, amongst others things, a better outcome for consumers by increasing the choices in the electronic payments market. In the current Australian social climate regarding the reputation and activity of the major banks, if the ACCC were to agree with the banks that they have consumer's best interests at heart, the commission would be thoroughly ridiculed.