

## eBay's PayPal plan sparks user revolt

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Article from:

**SundayMail****Jason Bryce**

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**THE Australian Competition and Consumer Commission has been flooded with submissions opposing eBay Australia's proposal to force buyers and sellers to use its subsidiary PayPal to handle payments.**

The online auction site proposes to force all sellers to offer [PayPal](#) by Wednesday, and ban competitors after June 17.

The big banks, other financial institutions and even the [Reserve Bank of Australia](#) have joined hundreds of [eBay](#) users to [complain about the plan](#).

The issue has attracted attention from online shoppers worldwide who fear Australia is being used as a testing ground for a global plan.

The overwhelming majority of submissions to the watchdog are from disgruntled eBay sellers such as Raymond Foo.

"Shouldn't we at least have the right to use very similar competitors like [Paymate](#) or [QPay](#)?" asks Mr Foo in his submission.

Paymate, an Australian competitor to PayPal, told the [ACCC](#) the eBay proposal would result in PayPal dominating all online commerce in Australia, discouraging new entrants.

Greg Walters, chief executive of QPay, a Brisbane voice-recognition software vendor and mobile payments provider, told the ACCC that eBay sellers were already used to being discouraged from using alternative payment methods.

"QPay generally avoids offering its services to eBay merchants, because those merchants are often concerned about being cut off from using eBay if they acquire services from a PayPal competitor."

Real estate agent Chris Murphy from [Gold Coast Rental Properties](#) said he had asked eBay for an exemption from the new rule, without success.

"At this stage I am unsure of our ability of accepting PayPal. Our clients on eBay pay directly into our trust account or pay via a special merchant facility that pays direct into our trust account," he said.

"The trust account protects the consumer. However, I have been ignored."

Julie Clarke, from the [Deakin University Law School](#), says Australian competition law differs from that of other big economies.

"Our law allows eBay to notify the regulator and receive immunity from prosecution while the issue is under consideration," Ms Clarke said.

"Their anti-competitive conduct will not be prohibited unless the ACCC says 'No, that's not legal'.

"That is fairly unique compared to other countries."

About 1 per cent of listings on eBay Australia offer Paymate as a payment option, with about 40 per cent offering PayPal. Only one eBay merchant offers QPay as a payment method.

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