Our Ref:

52795

Contact Officer: Rod Middleton

Contact Phone: 03 9290 1981

20 February 2014

Mr Mark Pollock General Manager Mail Business Unit Australia Post **GPO Box 1777** MELBOURNE VIC 3001





GPO Box 520 Melbourne Vic 3001

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Dear Mr Pollock

Price Notification: Australia Post Pricing Proposal Notice Pursuant to Paragraph 95Z(6)(b) of the Competition and Consumer Act 2010 (Cth)

I am writing in response to the price notification (locality notice) given to the Australian Competition and Consumer Commission (ACCC) on 31 January 2014 by Australia Post pursuant to subsection 95Z(5) of the Competition and Consumer Act 2010 (CCA).

The ACCC has decided not to object to the prices set out in that locality notice that it considers to be 'notified services', pursuant to Price Notification Declaration (Australia Post Letter Services) (No. 2) 2011 (the Current Declaration). A schedule of these 'notified services' prices which are consistent with those specified in the locality notice is included in Attachment A to this letter. The ACCC notes that the price changes are intended to take effect from 31 March 2014.

Australia Post's locality notice also includes a proposed price for concessional stamp (small letter). However, the ACCC does not consider the concessional stamp rate to be a 'notified service' pursuant to the Current Declaration, and as such is not subject to the price notification provisions in section 95Z of the CCA.

If you would like to discuss this further, please do not hesitate to contact me on 03 9290 6924 or Rod Middleton on 03 9290 1981.

Matthew Schroder General Manager

Fuel, Transport and Prices Oversight Branch

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APPENDIX A —Australia Post's proposed prices

	Current	Proposed	Increase
	Price	Price	%
'ordinary' small letter	\$0.60	\$0.70	16.7%
'ordinary' large letter			
- Up to 125g	\$1.20	\$1.40	16.7%
- Over 125g up to 250g	\$1.80	\$2.10	16.7%