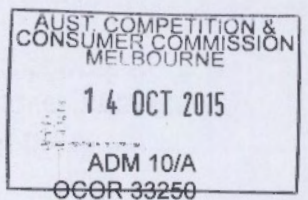


All communications to be addressed to:
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Your Ref:
Our Ref:
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FILE No:
DOC:
MARS/PRISM:

Mr Robert Wright
General Manager—Water and Wireline Markets
Australian Competition and Consumer Commission
GPO Box 520
MELBOURNE VIC 3001
postalservices@acc.gov.au



Dear Mr Wright

I refer to the draft proposal lodged by Australia Post to increase the price of its ordinary letter services and delivery times. The Donnybrook-Balingup Shire Council strongly objects to this proposal because of the significant financial impact it will have on Council's budget and the effect it will have on the timeliness of communicating with residents.

While much of the Shire's communication is done by email, mailed hard copies continue make up a significant portion of Council's correspondence. This is essential in an area where access to the internet is patchy and many residents do not use computers. Rates notices, fire-break orders, waste facility passes, Council agendas and minutes, licences, planning and building approvals, surveys and other notices are just some examples of items that must be sent by mail in the interests of equity and process compliance.

This small Shire currently spends \$12,000 on postage each year. With the proposed increases, this will rise to \$17,000. At the same time, local government is under considerable pressure to keep rates increases down and reign in spending. When the Consumer Price Index is 1.5% and the Wages Price Index 2.5%, it is unreasonable for Australia Post to impose an increase the price of postage by 43%. Australia Post has recorded a five-year profit in excess of \$9 million. Surely it has the flexibility to subsidise its core business of postal delivery through the successes of other divisions within the organisation?

This Council calls on Australia Post to reform its business practices rather than increasing the price of this essential service.

Yours sincerely

Greg Harris
ACTING CHIEF EXECUTIVE OFFICER

