From:
To: Postal Service
Cc:

Subject: ACCC CONSULTS ON AUSTRALIA POST STAMP INCREASE

Date: Thursday, 15 February 2024 4:17:35 PM

Attachments: 202402151230.pdf

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Dear ACCC

Reading your article "ACCC consults on Australia Post's proposed stamp price increase" dated 25 January I felt compelled to make comment from the perspective of a Mailhouse in the Mailhouse Industry that is reliant upon the Australia Post letter service

As a mailhouse owner I shudder at the proposed postal price increases further eroding if not crippling the mailing industry.

The 2016 price hike had huge repercussions for our industry. In 2015 a stamp was 70 cents but in 2016 a two speed service was introduced with a stamp increasing to \$1.00 which became regular post or \$1.50 for a priority service. Australia Post classified the \$1.00 as the BPR but called it regular but did not explain it was a slower service than previous. The 70 cent rate pre 2016 gave the equivalent service level of the new priority service but to get priority you then had to pay over two times the price. I have attached Australia Post price book excerpts from 2015 and 2016 to validate this.

Another hike in 2024 (\$1.20 to \$1.50 BPR) would represent another extraordinary increase and another destined to accelerate the decline in letters.

Mail is a necessary means of communication and is a vital channel for our customers to work with their clients and supporters. It has so much more cut through than email but is becoming preclusive for many because of the cost of postage. I have been in the industry for many years and once postage was deemed necessary but not preclusive as a cost. In times where we are concerned about the cost of living we need also to factor in postal affordability.

In your letter dated 25 January 2024 you said "we consider that Australia Post should explore affordability measures for small businesses reliant on the letter service". I think this point needs to be made more strongly and Australia Post put on notice that it is not only about them.

I assume you are aware that as a mailhouse we do NOT receive an agency fee yet we sell the Australia Post letter service? Australia Post reps do not do this - mailhouses do.

Whilst Australia Post may argue that postal discounts are reward enough any postal discounts are available to all that have a postal account and comply with bulk lodgement requirements. This discount based upon history reduces over time and prior to the next BPR hike (ie. the differential between the postal stamp and discounted rates is progressively reduced). Furthermore our customers are aware of discounts and expect any relief to be passed on to them.

I urge you to reconsider your recommendation to increase the BPR and to compel Australia Post to implement affordability measures for small businesses like those in the mailhouse industry to help preserve a vital channel of communication and maintain employment.

I am available to discuss this response further. See contact details below.

Thank you

Kind Regards,

