

Hon Dr Bob Such MP  
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Mr Anthony Wing  
General Manager-Transport and General Prices Oversight  
Australian Competition and Consumer Commission  
GPO Box 520  
MELBOURNE VIC 3001

Dear Mr Wing

**Australia Post's 2010 Price Notification - Issues Paper**

I respond to the invitation to provide a submission on Australia Post's proposal to increase prices across a number of its monopoly letter services in mid-2010 and offer the following comments.

I oppose the proposal to increase the basic postage rate from 55 cents to 60 cents, as well as increases in the price of other mail services, including large and small Other (including ordinary) letters, large and small PreSort ordinary letters, clean mail, reply paid mail, impact mail and local delivery mail.

I would argue against any such increases for these reasons:

- Postage was increased from 50 cents to 55 cents in 2008.
- Further price increases will discourage greater usage of Australia Post services - resulting in a Catch 22 downward spiralling in usage, followed by price increases to offset the decline.
- Fuel prices have remained at relatively modest levels during the last 12 months.
- Technology available to Australia Post should bring about cost savings.
- What efficiency gains has Australia Post made?
- Australia Post should demonstrate how they have improved their efficiency via technology and better management.
- Australia Post should use its retail component to help offset the costs of its basic services.

I thank you once again for the opportunity to participate in the consultation regarding this important issue, especially given that Australia Post is a monopoly.

Yours sincerely

Bob Such MP JP  
**Member for Fisher**