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1st June 2011

Dr Graeme Samuel
Chairman
Australian Competition and Consumer Commission
PO Box 12241
George St Post Office
BRISBANE QLD 4003

FILE No:

DOC

MARS/PRISM:

AUST COMPETITION &
CONSUMER COMMISSION
BRISBANE

7 JUN 2011

Re: Proposed Australian Post prices increase

Dear Dr Samuel

We understand that the ACCC is currently reviewing a proposal from Australia Post for the increases in charges for their business mail services, including PreSort services.

As a publisher of magazines, while we understand that consideration should be give to the necessary profits we strongly oppose to a price rise and would like to put forward our reasons.

Within the publishing industry and specifically in the production of magazines and journals there has been a substantial drop in advertisers with many companies not meeting budget. While printing costs have increased we are not able to increase our prices and have had to distribute tasks through a smaller staff-force in order to survive. Many magazine have gone broke and this industry is experiencing substantial hardship.

As publishers of journals we have incurred a postal price rise in October 2010 and again in March 2011, which we have had to absorb. Furthermore, while we are not going for the OFF PEAK options (which is supposed to offer a delivery turn-around time of approximately four days) we have noted an increase number of slow deliveries in several regions. For example, even though we are paying the higher delivery charges and our distribution centre is based in Brisbane it is not uncommon that many of our accounts in Sydney CBD to receive their publication 10-15 days later. This is a real concern and is a common occurrence. Because of Australia Posts monopoly we often have to tolerate slow and unreliable service, not to mention the progressive price rises.

In view of the current difficult times we suggest that you take into account the impact that such a price rise from Australia Post may have on the publications industry and re-consider endorsing a price rise.

Kind regards


Tina Virey
Director