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Mr Rod Sims
Chairman Australian Competition and Consumer Commission
GPO Box 520
MELBOURNE VIC 3001

Dear Mr Sims

This letter serves to state that the LPOG (Licensed Post Office Group Ltd) fully supports the application for the proposed changes to the Ordinary Letter Service, including a 10-cent increase to the Basic Postage Rate (to \$1.10), effective January 2020.

It is considered by LPOG that such an increase will not be detrimental to the overall Australian community in terms of the provision of postal services, while also allowing Australia Post to continue the work to increase remuneration for Licensees.

Without regular and measured increases to the BPR the postal service is not sustainable. It is well known that most Australians deem the local Post Office to be an essential service in their community, and demand that it be maintained, yet the cost to maintain each Post Office, and the postal service, must be funded and that aspect is often overlooked by much of the community.

Currently for the LPO network, much of the financial shortfall to sustain an LPO often falls on the shoulders of the Licensees. LPOG does not believe that should be the case and looks to Australia Post to adequately fund the network and services provided by the network.

To continue to provide Australia Post's corporate and privately-owned footprint and postal services to the nation, revenues must increase in line with costs. Increased revenues will further allow Australia Post to partially offset the increasing costs of maintaining the privately-owned licensed post office network, without it being left to the Licensees where digital disruption has encroached on the viability of the Post Office.

LPOG's support for Australian communities is at the heart of our Association and maintaining the financial integrity of the Postal Network is fundamental to the sustainability of the business, which looks to provide a uniform service to the majority of Australia.

Please feel free to contact LPOG if we may be of any further assistance.
Yours sincerely



Angela Cramp
5 September 2019

LPOG building a better future for LPOG Licensees
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