18 September 2012

Mr Matthew Schroder General Manager Fuel, Transport and Prices Oversight Australian Competition and Consumer Commission GPO Box 520 Melbourne VIC 3001

Dear Mr Schroder,

Re: Review of Guide to inquiries into disputes about Bulk Interconnection Services

The Printing Industries Association of Australia (*Printing Industries*) represents some 1400 companies across Australia. It is the peak advocate and support organisation for businesses in the print, packaging and visual communication industries. The industries the organisation represents have a presence in every region of Australia making it a truly national body.

Printing Industries has an interest in the current review because it represents members who:

- (i) are directly involved in the provision of bulk mail services
- (ii) produce printed material associated with bulk mail.

The Association was disappointed with the decision last year to remove the mandatory notification obligations of Australia Post if it proposes to:

- increase the price of a reserved letter service
- introduce a new service that would fall within the definition of reserved letter services
- provide an existing reserved letter service under terms and conditions that are not the same or substantially similar to the existing terms and conditions of that service.

A copy of our submission to this Review is attached.

Printing Industries understands that the draft guide outlines the process and framework for managing inquiries into disputes about the terms and conditions on which a rate reduction is or would be provided to a person for a bulk interconnection service, including the amount of the rate reduction and the period for which it will apply, about bulk interconnection services. We believe this is a worthy initiative that will provide direction and clarity to all relevant parties.



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The Association has consulted its members operating in this area and based on those discussions we make the following observations about the content and application of the Guidelines

- 1. The existing commercial arrangements in place prior to the notification of a disputes connected to bulk interconnection services should remain in place until a decision is handed down by the Minister.
- Consideration should be given to using the proposed Guide to allow users of bulk interconnection services to raise all issues related to Australia Post Statutory monopoly including pricing and other changes to terms associated with reserved letter services.
- 3. To facilitate transparency and accountability, *Printing Industries* further recommends that the ACCC should make public all the financial information provided by Australia Post underpinning its recommendations relating to a bulk interconnection services dispute.

Printing Industries is confident that an inquiry framework that is thorough, systematic and responsive in its approach will over time gain the confidence of industry participants.

Please contact me on 0419627693 if you have any questions related to our submission. Our Association looks forward to further consultation on this matter.

Yours sincerely,

Bill Healey

Chief Executive Officer

Attachment One: Response to Specific Questions

Chapter 3 questions

Q 3.1 Do you have any comments on the proposed use of a pre-notification process in a bulk interconnection service dispute?

This seems a sensible approach and could avoid significant cost and time by helping to establish the merits of a particular complaint.

Q 3.2 Do you have any other comments on how the ACCC would commence a bulk interconnection service inquiry that are discussed in this chapter?

No

Chapter 4 questions

Q 4.1 Do you have any comments on the proposed use of a case management meeting to assist the dispute resolution process?

Supported

Q 4.2 Do you have any comments on the possible use by the ACCC of a 'top down' avoidable cost methodology in determining an access price in a bulk interconnection service inquiry?

We would expect the ACCC to use the most relevant methodology to identify the true cost and benefits associated with any particular arrangements.

Q 4.3 Do you have any comments on the possible use by the ACCC of a 'bottom up' building block methodology in determining an access price in a bulk interconnection service inquiry?

See Above

Q 4.4 Do you have any comments on the process for involvement of interested parties in a bulk interconnection service inquiry, including when and how this involvement could take place?

Scope should be provided for the complainant to involve interested parties. Consideration should also be given to allowing organizations who represents business who could be involved in similar disputes to participate.

Q 4.5 Do you have any other comments on matters discussed in this chapter?

No

Chapter 6 questions

Q 6.1 Do you have any comments on the circumstances in which a bulk interconnection service inquiry may be terminated?

If it becomes evident that the claim is vexatious

Q 6.2 Do you have any other comments on matters discussed in this chapter?

Chapter 7 Questions

Q 7.1 Do you have any comments on the administrative procedures associated with undertaking a bulk interconnection service inquiry discussed in this chapter?

No

Q 7.2 Do you have any other comments on matters discussed in this chapter?

No

Chapter 8 questions

Q 8.1 Do you have any comments on the proposed approach to managing confidentiality in a bulk interconnection service inquiry discussed in this chapter?

It is essential that close attention is given to protecting the confidentiality and commercial interests of any bulk interconnection service provider who lodges a complaint. If not they could be confronted with significant disadvantage at a later date given the monopoly power Australia Post

Q 8.2 Do you have any other comments on matters discussed in this chapter?

No