



Queensland Retail Traders & Shopkeepers Association

Industrial Organisation of Employers

Thursday, June 13, 2002

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Dear Ms Merifield

As previously advised, unfortunately we are not able to have anyone present at the ACCC Brisbane Forum for the review into postal charges.

However we would like to take the opportunity of advising our total support for the submission sent to you on Thursday 13th June by Ken Murphy CEO of the Queensland Newsagents Federation.

The QRTSA represents just over 2700 retailers 66% of whom operate in the non-food sector and 44% from the food sector. Many of our member retailers sell "stamps" including some newsagents, convenience stores plus a few franchised post office members. We would especially draw your attention to that part of the Newsagents Federation's submission that deals with the issue of "Lack of margin on the sale of stamps" and "cross subsidization by Australia Post".

As stated by Ken Murphy, retailers generally only take on the selling of stamps as a community service due to the lack of outlets/service by Australia Post. We know of no other product that is licensed by one entity to be sold at another for no margin whatsoever.

The QRTSA would agree with the Newsagents submission that reserved activity products should be available on commercial terms to other retailers who wish to stock and sell them in order to endeavor to satisfy the public demand that is simply not being met by Australia Post.

We would further concur with the Newsagents Federation comments regarding the

- Post point merchandising units and the
- Lack of transparency in Australia Post activities between reserved (protected) activities and its retail activities, plus
- As previously mentioned the cross subsidization of Australia Post's retail activities by reserved activities.

The simple fact of the matter is that if Australia Post was required to provide to a retailer of stamps even the small margins applicable to telephone cards and bus tickets as similar consumer service products they would not be in as strong a position of then being able to unfairly compete, often with those same retailers in the range of other products Australia Post sells.

We would agree totally with Ken Murphy's summary of this issue, in particular the statement that "the subsidized practices of Australia Post

retailing needs to be further and properly evaluated before finally determining on price changes proposed by Australia Post”

We have to admit that we find it somewhat strange that on one hand Australia Post are applying to increase the price of a standard postage stamp supposedly to cover cost increases such as rent, wages, electricity etc when on the other hand they expect retailers to stock and sell the same product for no margin and after having paid cash up front.

Yours sincerely

A handwritten signature in black ink, appearing to read 'I F Baldock', written in a cursive style.

Ian F Baldock
Executive Director