

My humble opinion as a consumer of your services.

- 1.1 Do you agree with Australia Post's volume forecasts for its reserved letter services?  
In your view do the forecasts reflect likely long-term demand trends for Australia Post's letter services and your expectations about future usage?
  - 1.2 Yes I agree with the forecast. Long term demand from consumers will continue to decrease but at a slower pace. Business demand will continue at present levels.
  - 1.3 Do you consider that Australia Post's forecasts reflect the current and future economic climate and its effect on Australia Post's reserved letter volumes?
  - 1.4 Yes but a bit aggressively
  - 1.5 What impact do you expect the proposed price increase may have on the demand for ordinary letter services, and over what potential time frame?
  - 1.6 Little or no impact from a consumer point of view. Businesses will continue to presort and find alternative means to getting their message across while passing any additional cost back to the consumer.
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- 1.1 What are your views on the efficiency of Australia Post's cost base, in particular its operating costs for its monopoly letter services?
  - 1.2 The current system is not broken but fine tuning could be done. Better delivery mechanisms, more availability of street delivery boxes for neighbourhoods and less weekly delivery.
  - 1.3 Do you consider that Australia Post's price notification demonstrates that Australia Post has taken steps to reduce costs in response to its expectation of declining letter volumes? Please provide supporting reasons for your answer.
  - 1.4 Yes I do – however, political pressure for weekly delivery seems to prevent any modification to the current environment, i.e. less deliveries.
  - 1.5 In your view, in which areas might Australia Post be able to reduce its costs, while still meeting its community service obligations (CSOs) and performance standards?
  - 1.6 Mentioned above.

**Jose' Nodar**