

POSTAL SERVICES MODERNISATION SUBMISSION

As a small business operator and one with extensive links into the small business sector in Western Australia, I recognize the need to address the modernisation of the postal service and welcome the opportunity to make a submission in response to the discussion paper. That said, the greater majority of small businesses are not members of industry associations and many are unlikely to express their views through individual submissions. As a means of tapping grass roots small business views, it may be an idea to hold a few dedicated small business feedback forums to provide a suitable avenue for modernisation thoughts.

My credentials and contact details are at the foot of the submission.

MODERNISATION FACTORS

Key factors that should be embodied in the modernisation include:

- . future financial sustainability**
- . the recognition of statutory community service obligations**
- . the importance of ongoing adequate representation in regional, rural and remote areas**
- . the impact of digitization and related IT as it affects operational process and the associated response to the e-commerce market.**
- . the due consideration of environmental sustainability factors in ongoing operations**
- . the inclusion of aspects that recognize the special needs of individuals and communities.**

DELIVERY SERVICES

The usage of Post's letter services will obviously continue to decline in the next 5 years. A key plank of the modernisation thrust has to be a thorough examination of the delivery requirements. A reduced frequency is not opposed and an accompanying price increase for letters will not unduly impact the bulk of small business customers.

A reduced delivery frequency is supported on the proviso that priority letters are retained for priority delivery. The accompanying premium price is expected and accepted. There are many examples of vital correspondence in

the small business arena. These cover regulatory, legal, contractual and obligatory areas and regular delivery is essential. However, informal feedback from small business has indicated that a Monday, Wednesday, Friday schedule would suffice and it would also give scope to attend to matters of receipt and dispatch over the weekend.

PARCEL DELIVERY

The modernisation must recognize the importance and indeed how critical parcel delivery is to small business. The factors that matter most are:

- . security of delivery including handling**
- . delivery accuracy**
- . collection convenience**
- . tracking**
- . ease of returns**
- . speed of delivery.**

Facilities such as parcel lockers should continue to be rolled out as important adjuncts to the parcel delivery service.

Collection of parcels in postal outlets needs attention. Consideration should be given to dedicated collection service points to avoid delays in queues waiting for other lengthy Post transactions to be handled.

Online purchases have boomed since the onset of COVID19 and the ability of Post to handle vastly increased volumes stands out like a beacon in terms of being critical to small business operations. This is especially the case in Western Australia with its vast geographical market area and its remoteness from Eastern States supply lines. Continuity, reliability and competitive affordability is integral to small business e-commerce needs.

In this regard, there is still room for more customization in handling small business parcel needs. Pricing and packaging simplification is a must to suit various sectors. The adoption of a more client focused approach to handling small business accounts is also needed (Mypost Business noted) and should result in a deserved return on investment through a win/win increase in sales.

Complaint handling is by far the biggest gripe in the parcel delivery sphere. It can be time consuming and frustrating for small business. It may be that a refocus away from “complaint” and more towards “service assistance” could assist in the way enquiries are handled. Also, an enquiry line dedicated to small business would also be welcomed by what is a significant Post parcel business sector.

REGIONAL AND REMOTE CONSIDERATION

The part that Post outlets play in regional and remote Australia should not be underestimated. The outlets are viewed as essential to support:

- . broader range of postal services per se**
- . banking services**
- . trusted identification services**
- . business and community services**
- . retail outlet availability**
- . local employment opportunity**

The part now being played by regional outlets in providing banking services is considered a vital component in meeting community service obligations. Many regional small business operators are also reliant on Post for effective parcel inward and outward handling and for a range of trusted services necessary to their business.

An element that could be given consideration in the modernisation as it applies to regional areas is the prospect of assisting to profile more local regional product lines in outlets. Effectively, outlets could become showcases for visitors and tourists and assist in boosting home grown produce sales.

MODERNISATION IMPACT ON EXISTING LPO AND CPA OUTLETS

Any modernisation initiative should take into account its likely impact on existing LPO and CPA outlets. In particular, issues that will affect key components of their operation as small businesses in their own right need to be carefully evaluated and considered. These include the impact of:

- . rationalisation of the number and location of LPO and CPA**
- . foot traffic implications**

- . material changes to existing and prospective transactions
- . broader factors that may affect the value of business goodwill
- . opportunity for increased contribution to the network.

The modernisation has to evaluate the quantum and location of existing Post representation on the ground. In some instances, rationalisation will be warranted where the proliferation of outlets mostly grew historically and the advent of digitisation and smarter operation has led to overrepresentation in modern times. This may also apply in some cases to LPO and CPA outlets and if adjustments are necessary, suitable and fair transition arrangements should be part of the process.

CLOSING REMARK

I extend my thanks for the opportunity to make this submission. I have a strong affinity with the small business sector and its sustainable role in the make up of the Australian economy is crucial. There are substantial existing and prospective links between Australia Post and the small business sector. The outcome of the intended modernisation should hopefully build on the relationships in place and provide the basis for mutually beneficial future interaction.

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