

## **Submission: Somerset Regional Council**

Australia Post have published their review into the Postal Services in Australia called “Postal Services Modernisation” Discussion Paper. The discussion paper seems to reinforce the view that the parcel post system is the only part of Australia Post’s business that is undergoing an increase in business. The letter service on the other hand is losing Australia Post significant amounts of money.

Council comment: Australia Post like Telstra have a service obligation to the community to provide a vital community service. How much it costs is unfortunate but that is what Government does, provides a service regardless of it’s commercial nature.

**The report has a focus on the business rather than the customer.** There is no review of the need for a continuing service in some parts of Australia as opposed to others – for instance where mobile and internet coverage are not good. There is also no discussion about alternatives or a pathway, only examples of what other countries have done.

The part of the report that outlines potential changes to the letter services requests feedback from users. This is as follows:

“The Government is seeking the public’s view on the potential for changes, which could include:

- Letters pricing arrangements that support Australia Post to recover the actual costs of providing its services, while retaining appropriate Government oversight and maintaining subsidised social mail pricing (for example, for concession card holders);
- Relaxing letter delivery frequency requirements, which are particularly cost burdensome in the face of declining volumes, while maintaining appropriate maximum letter delivery speed regulations; and
- Deregulating the priority letter service, while maintaining a commercial bulk priority letter service to meet the needs of Australian businesses.

### **We want to know**

**4.** How important is the ability to send or receive a letter and what would be the impact of further increases in postage rates to allow Australia Post to fully recover the full efficient cost of providing the letters service?

**5.** Do you expect usage of Australia Post’s letter services to change in the next 5 years and why?

**6.** What do individuals, businesses and charities take into consideration in deciding whether to send a letter — for example, price, delivery speed and features (such as tracking), or digital alternatives?

**7.** What is the value of the regulated priority letter service to you?

**8.** Should the current letters service speed or frequency of delivery requirements change in line with the expected decline in the number of letters being delivered?

The two proposals that have been put forward are to increase the price per letter – currently \$1.20 per letter. Increased by 10 cents in January 2023. Additionally, it is proposed to decrease frequency of the delivery timeframe.

The report does outline that Government and business are the main users of the letter service. This service has declined in volume by almost 70% since 2008. At the same time the area and number of delivery points has increased by approximately 200,000 new delivery points per annum, caused by population growth.

**Council relies on the letters service for the delivery of mail where a customer is “served” with a notice. Currently there is no option within Council’s Local Laws or any Commonwealth or State Legislation to serve the notice digitally or by any other method. How could this be changed and remain legal?**

Rate notices are still posted to many people within areas where mobile and internet coverage is poor. Our Regional Council covers an area of 5,382 square kilometres less than an hour and a half from metropolitan Brisbane. Mobile phone coverage is patchy and NBN coverage in some areas will never be delivered.

Interaction within a rural community for events or the like get a better take up where the customer receives a notice of some sort in their mail bag, letterbox or post office box. Council currently pays for this as a special delivery service to customers in an area of the region. There is no mention whether this pay for use service will continue, will this type of service continue?

Additionally, Australia Post (AP) and the Commonwealth Government need to provide answers to the following, at least:

How Council could or should change the delivery methods to customers (particularly those with poor mobile and internet service) if there is no or limited postal services?

What is Council’s timeframe for change in order that Council and our customers are kept ahead of the Australia Post changes?

What legislative changes might be required if delivery timeframes don’t meet specific legally specified timeframes?

What responsibility does the Commonwealth and State take for changing legislation in order that “service of a notice” methods are changed and accepted by customers in a rational and organised way?

Council will continue to advocate through the LGAQ and Local Members of State and Federal Parliament because the tenor and issues outlined in the discussion paper seem to indicate that a “commercial decision” is made without the customer in regional and remote areas in mind. Will Australia Post communicate more broadly than it’s current communication to the community?

Where mobile phone coverage is poor and NBN or the like will never be provided what is proposed with postal delivery services? Will the delivery only be to the nearest Post Office, to the householder or not at all?

Does Australia Post and the Commonwealth consider people who are less than an hour and half from metropolitan Brisbane as customers who deserve a postal service?

In some of these areas there is no mobile coverage (and never will be) and there will never be NBN coverage? What obligation does the Commonwealth Government and the Postal Service have to voters and taxpayers in these areas?