

Submission Re: *Australia Post senate inquiry*

25th November 2013

It is of my strong view that AP (Australia Post) is not only treating LPO's (Licensed Post Offices) unfairly, but they are deliberately taking advantage of small business people that are locked into an unfair agreement that we are unable to do anything to fix. My husband and I are the owners of a small single terminal LPO that is attached to a mixed business of fuel, newsagent & general store that is servicing a small rural community.

The following points that I have listed are the main areas in which I believe A.P. is doing the wrong thing by their LPO's.

1. **Parcels Volumes:** LPO's have become a freight delivery centre in recent years. Parcel volumes continue to climb every day. It has got to the point where we simply do not have the room to handle all the parcels. I am currently working around 55 hrs per week and we now employ a casual for 13 hours per week due to the extra work load of parcels. We currently get paid a mere **\$57.72** per week to handle and deliver all our parcels. I have been complaining about this payment for 3 years. The hourly rate that this would calculate out at would be less than most third world country's rates of pay. I don't understand how Australia Post has been allowed to get away with this. The price to send parcels has increased dramatically & continuously in recent years, yet they have not fairly passed on any of this to the LPO's.
2. **Parcel sizes:** While there are very strict guidelines as to what parcels we can accept over the counter, there seems to be no restrictions on the size of parcels we have to deliver. We are often delivering parcels that in all honesty I can hardly even move e.g. Fridges, washing machines, T.V's, saddles etc. I am constantly lugging cartons of wine around, as this has become a huge online business. Maybe it would be OK if the payment was appropriate for the parcel.
3. **P.O. boxes:** We buy, install and maintain all our PO Boxes. In the last three years the price to rent a PO Box for our customers has gone up considerably. However the payment we receive has stayed exactly the same. This year AP introduced a \$25 establishment fee for PO boxes without any consultation or notification, in which we receive absolutely nothing. Again I ask how does AP get away with this?
4. **Nearly all LPO payments are based on the price of the stamp.** I believe AP are using this to their advantage to keep the payments to the LPO's low. Letter volumes have obviously plummeted since the growth of emails. It is the area of AP that loses money apparently. It is ridiculous that AP can increase the price to send parcels by huge amounts over recent years, however not increase the price of the stamp. It is obvious they simply don't want to do it, so they won't have to pay the LPO's any more money. Again I ask how does AP get away with this?
5. **EPOS Terminal:** We pay AP \$165 per month to have the EPOS terminal. The system used feels like you are operating a commodore 64. I cannot believe that in 2013 we are using such an old, slow, outdated and badly designed system, that we are paying a premium price for.

I believe the people in charge of AP need to be held accountable for the harm caused to LPO's in recent years by the unfair payments. LPO's play such a vital role in all communities and should be given every opportunity to be an ongoing viable business into the future. In our three years owning our LPO we have felt that AP have provided us with minimal support and nothing but disappointment in any day to day dealings with them. Why are they not helping us? Surely if we are successful then they are successful. We are the face and the backbone of this organisation.

There needs to be a payment structure that not only allows LPO's to survive, but invest back into their business for a successful future. I am not trying to be greedy, I just want things to be fair!!!!

When we come to work and see piles of parcels to be delivered, we should be saying "wow, this is going to be a good day today".