

**ATTACHMENT 1**

<b>Hansard Ref.</b>	<b>Witness</b>	<b>Statement</b>	<b>Correction/Issue</b>
2	Mr Buskariol	We bought the business five years ago. Then we were paid a fee, which is the same fee that exists today, for the purposes of processing parcels for PO box holders at our post office outlet.	Licensees received an increase in the payments related to post office boxes in 2008 (+10.0%) and 2010 (+9.1%) Refer Australia Post Submission Appendix 2, Q1.
5	Mr Buskariol	The business model of Australia Post allows them to prohibit licensed outlets from processing a credit card order over the phone...I have looked at that legislation. I am not a lawyer, but it appears to me that that only applies to the digital storage of data, not the physical paper storage of data.	Corporate and Licensed Post Offices are subject to identical credit / debit card payment rules. Refer Australia Post Submission Appendix 2, Q1.
7	Ms Cramp	There was previously a process and procedures manager in the LPO chain of Australia Post and that person was generally an independent umpire that advocated for both sides. That position has been removed.	The position(s) with the role described have not previously existed within Australia Post at either a state or national level.
7	Mr Buskariol	Yes. The payments that we receive for PO boxes have remained static for the last four years, whereas the cost to customers for those very boxes has increased quite dramatically.	Licensees received an increase in the payments related to post office boxes in 2008 (+10.0%) and 2010 (+9.1%) Refer Australia Post Submission Appendix 2, Q1.
7	Mr Buskariol	For a small box, we are paid \$74; it is costing us more than that per annum to service, so it would be \$30 a box that we are losing in terms of paying staff and -	Licensees receive two payments for each leased post office box with the combined fee for a small box amounting to some \$102. Refer Australia Post Submission Appendix 2, Q1.
8	Ms Cramp	We have recently had a new point-of-sale system across Australia Post that is now requiring 25 to 50 per cent more processing time for each transaction over the counter, with no	Transaction times have not increased by 25 to 50 per cent as suggested.

		increased remuneration – no substantial increase.	Refer Australia Post Submission Appendix 2, Q9, Q10 and Q11.
8	Ms Cramp	Ms Cramp: If you look at the ratio of the agreement in 1993, the payment was based on what it cost the licensee to provide that service and it was set at \$110 per cent of the retail cost in 1993.	The payment licensees receive for post office boxes is not (and has never been) linked to the customer fee.  Refer Australia Post Submission Appendix 2, Q1.
8	Mr Buskariol	I can probably bring up a couple of examples of some of the transactions we do where we get paid a fee. By way of an example, we charge the customer the Australia Post fee of \$27 for an Express Post money order, and the licensee gets around \$8. The licensee performs all the work, but Australia Post gets two-thirds of the payment.	In addition to the activity involved in issuing an Express Money Order (EMO), there are further activities involved in the payment (includes licensee commission if applicable) and reconciliation of EMOs that are also provided for within the customer fee
8	Mr Buskariol	We believe, but we are not sure – I am certainly not sure, because we are not privy to the consultative agreement - that Australia Post is paid around \$40 for the passport interview transaction, whereas we get \$12.30.	While the amount paid to Australia Post for undertaking passport interviews is subject to confidentiality requirements we can confirm that it is significantly less than the \$40 suggested.
9	Ms Cramp	I have that issue at Lightning Ridge. There is no street address delivery service at all. I have a community of 7,000 and they must all come to my post office and collect their mail over the counter or through the reduced-rate boxes. We have 1,860 boxes at Lightning Ridge and a lot of people use that service. We do get a payment from Australia Post—the same payment as for any post office box. We do not get a reduction in that money. The service is provided by Australia Post as an alternative to the community. With no street delivery, our problem is that we are supposed to manage any mail that is addressed to a street address for free. I am managing up to 4,000 delivery points for no remuneration, because Australia Post maintains that the service should be provided by us for	Licensees receive two separate payments for each leased post office box and counter mail delivery (Poste Restante) point: <ul style="list-style-type: none"> <li>• Mail Management fee; and</li> <li>• Counter Mail Delivery fee or Post Office Box Service fee as applicable.</li> </ul>

		the cost of a single delivery point. I might have four or five delivery points that are to be diverted into one PO box;	
9	Mr Hirst	But in actual fact the ATO is not available at licensed post offices at this point and the New South Wales birth certificate is only available at 154 licensed post offices across New South Wales and not 1100.	A number of LPOs are currently part of the network of outlets that undertake ATO tax file number transactions.
11	Mr Hirst	Senator RUSTON: Have the LPOG, as a group or individually, ever tried to go to Australia Post and negotiate changes in relation to the various issues you have been talking about? Have you gone and tried to sit down and negotiate with them to either change your licence agreements or to have your prices increased or whatever? Mr Hirst: Absolutely.	The LPO Group had not sought a meeting with Australia Post in advance of the instigation of the Senate Inquiry
11	Mr Hirst	When we try at that forum to discuss operational issues—parcel prices, commissions that we pay, margins on stock—we are given a flat hand: 'Don't come here and talk about it. Go see POAAL.'	The Australia Post Licensee Advisory Council is an advisory body providing a forum for the discussion of business opportunities and issues.  Refer to Australia Post Submission Page 29.
11	Ms Cramp	Senator FAWCETT: Very quickly to finish off on the street delivery versus post office: if you are in a regional town where there is no street delivery, then you are obliged to take the parcel but you do not get paid the same fee that somebody would in a metro area where there was a street delivery service. Is that correct? Ms Cramp: If we have a street carded service at our post office we get the same rate, the 29c, if we get that 29c. Across the board, that is the only payment that is available for street carded items.	In localities where there is no street delivery, licensees receive payment for the handling of these articles through the mail management fee. In metropolitan areas payment is through a combination of the carded article fee and scanning fee.  Refer Australia Post Submission Appendix 2, Q12.