

Kim and Carina Mayers

25th November 2013-11-25

I hereby forward detailed information relating to the Operations as a concerned LPO (Licensed Post Office – Texas 407505). In particular reference to Regional and Remote areas. I have addressed only a total of 5 points. But the grievances we have with Australia Post will escalate into more than 20 points.

Underpayments by Australia Post

1. Post Office Box Renewals (LPO6R):

Each Post Office Box at our LPO is owned by us and all repairs and replacements are paid for by us. We have a total of 170 Post Office boxes at our Post Office.

As of July 1st 2013 – on leasing new post office boxes, there is now a \$15 administration fee to the customer per box, there is no commission paid to us for completing this transaction. The Post Office box rental rate has significantly increased in the last 3 years – but the payment to ourselves remains significantly behind the C.P.I. figures.

2. Increase of Mail Volume

The Delivery – Mail management fee paid to us from Australia Post has not kept pace with the mail received at my LPO, which has significantly increased over the past 3 years.

Everyday we are to complete the primary sort of mail prior to 10am each morning (9 am for some contractors who work out of our office). With Christmas approaching we are already experiencing an influx in mail and parcels. We are requiring an extra person each morning to cope with the sorting of mail to both PO Boxes and Contractors.

The LPO Agreement does not cover adequate payment for delivery of parcels under the existing mail payments. The necessary work required to scan all incoming and outgoing articles – not to mention put those required on hold AND cancel the stamps on ever increasing number of articles whose stamps come through uncanceled – is a mammoth job. The carded articles that require a signature on delivery is time consuming and we are not rewarded for this service by Australia Post.

Contractors working from our office (5 in total) do not have scanners (although they are coming.....) and therefore are constantly interrupting counterstaff to use the scanner whilst we are serving paying customers.

The online shopping affect has increased out parcel volume 10 fold. The parcels are oversized, overweight, poorly addressed, need to be tracked; the customer receives email confirmation of the parcel before we have sorted, which causes frustration to

both ourselves and the customer. This in turn wastes time as the staff explain the system to the customers.

We now scan and sign in an average of 45 parcels a day. We currently do not receive any commission for this service – we act as a free parcel drop off and collection centre for Australia Post – with over the counter and sometimes home delivery service.

3. Australia Post encroaching on our local customer base

With the introduction of Australia Post online, customers are able to buy directly from Australia Post and have their goods delivered to them - by us – when they could be buying the exact same product from our LPO. Yet we are not allowed to operate an “online business” out of our LPO premises.

4. Change of direct debit date

Australia Post last year changed the date to direct debit our account for the purchases made during the previous month. The date is now the 24th of the month, whilst Australia Post pays us our commission on the 30th of the month. To be able to cover all the outgoing costs including labour increases, we have had to use personal funds (ie not pay our own wages), as we won't have the funds to be able to pay for Christmas invoices prior to selling the stock, paying staff wages and paying the Australian Tax Office.

Further to this the minimum buy allowed discriminates against smaller LPOs as very few items allow for the purchase of less than 4 items, therefore to order the item in for 1 or 2 valued clients we need to buy the “minimum order” of 12. This leaves us with items sitting on the shelf until they are sold – not likely in a small LPO. We are then forced to apologise for not stocking the advertised item and give the customer the option of trying a larger Post Office – which means sending them out of town – who knows what other money is being sent/spent “out of town”. Small rural towns cannot afford to lose what little money they can get to larger towns.

5. Bill Payment Transactions

Due to internet bill pay options, the number of transactions we process will reduce within the next 2 years. At present the elderly population (who remain largely technologically illiterate) are the bulk of our bill paying customers. Each year their numbers get fewer, and the transactions become less.

In my closing statement:

Licensees are faced with the prospect of injecting more personal funds into their business to keep doors open. The Government authority and expectation of Australia Post is to return a true, fair and reasonable payment to the licensees that provide a service to the community, especially in country areas, where a “corporate office” is not just around the corner.